

2007-2009 Biennial Budget Request



Wisconsin Department of Public Instruction
Elizabeth Burmaster
State Superintendent

DEPARTMENT SUMMARIES

B-7

Page

Number: 255		Name: Department of Public Instruction					
ANNUAL SUMMARY				BIENNIAL SUMMARY			
SOURCE OF FUNDS	ADJUSTED BASE YEAR	AGENCY REQUEST 1st YEAR	AGENCY REQUEST 2nd YEAR	BASE YEAR DOUBLED (BYD)	BIENNIAL REQUEST	CHANGE FROM BYD (\$)	CHANGE FROM BYD (%)
General Purpose Revenue	5,436,775,900	5,656,416,900	5,862,340,200	10,873,551,800	11,518,757,100	645,205,300	5.93%
State Operations	27,658,500	31,758,100	31,901,000	55,317,000	63,659,100	8,342,100	15.08%
Local Assistance	5,256,416,900	5,457,101,000	5,647,618,100	10,512,833,800	11,104,719,100	591,885,300	5.63%
Aids to Ind. & Org.	152,700,500	167,557,800	182,821,100	305,401,000	350,378,900	44,977,900	14.73%
Position FTE (1)	251.47	252.47	253.47				
Federal Revenue (2)	607,490,700	645,748,500	647,867,400	1,214,981,400	1,293,615,900	78,634,500	6.47%
State Operations	42,128,500	42,351,400	42,162,500	84,257,000	84,513,900	256,900	0.30%
Local Assistance	518,301,400	555,685,100	557,992,900	1,036,602,800	1,113,678,000	77,075,200	7.44%
Aids to Ind. & Org.	47,060,800	47,712,000	47,712,000	94,121,600	95,424,000	1,302,400	1.38%
Position FTE (1)	289.10	289.10	289.10				
Program Revenue (3)	38,840,800	39,679,500	39,935,600	77,681,600	79,615,100	1,933,500	2.49%
State Operations	27,679,200	28,641,800	28,897,900	55,358,400	57,539,700	2,181,300	3.94%
Local Assistance	11,161,600	11,037,700	11,037,700	22,323,200	22,075,400	-247,800	-1.11%
Aids to Ind. & Org.							
Position FTE (1)	74.44	81.94	81.94				
Segregated Revenue (4)	35,254,300	41,849,400	46,900,700	70,508,600	88,750,100	18,241,500	25.87%
State Operations							
Local Assistance	35,254,300	41,849,400	46,900,700	70,508,600	88,750,100	18,241,500	25.87%
Aids to Ind. & Org.							
Position FTE (1)							
TOTAL	6,118,361,700	6,383,694,300	6,597,043,900	12,236,723,400	12,980,738,200	744,014,800	6.08%
State Operations	97,466,200	102,751,300	102,961,400	194,932,400	205,712,700	10,780,300	5.53%
Local Assistance	5,821,134,200	6,065,673,200	6,263,549,400	11,642,268,400	12,329,222,600	686,954,200	5.90%
Aids to Ind. & Org.	199,761,300	215,269,800	230,533,100	399,522,600	445,802,900	46,280,300	11.58%
Position FTE (1)	615.01	623.51	624.51				
Gen. Purpose Rev. Earned	2,016,500	2,109,400	2,201,800	4,033,000	4,311,200	278,200	6.90%
(1) Includes Permanent and Project Positions							
(2) Includes Program Revenue Federal and Segregated Revenue Federal							
(3) Includes Program Revenue Service							
(4) Includes Segregated Revenue Service and Segregated Revenue Local							

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DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 4001 – HERITAGE LANGUAGES

101 – General program operations

s. 20.255 (1) (a)

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$52,500	\$148,500

Request/Objective

The department requests \$52,500 GPR in FY08 and \$148,500 GPR in FY09 for the Heritage Language portfolio, a pilot project which demonstrates how children speaking languages other than English in their homes can have their heritage language proficiency assessed, valued, and maintained.

Background/Analysis of Need

Thousands of Wisconsin students are immigrants or refugees from other countries. The pressure to learn English is great because, to be functional, these students need to communicate with people other than family members. However, it is clear from research that it would be a mistake from an educational perspective for these students to abandon or discount the importance of their native tongue. Initiatives are needed to help these students assimilate into U.S. culture while still using their native language as an important form of self-expression.

At the time of the 2000 Census, 193,751 Wisconsinites were foreign-born (about 4 percent of the state's population including both naturalized citizens and those who are not citizens). More than one quarter of these people (29.3 percent) are relatively new arrivals (entered the U.S. no earlier than the beginning of 1995) who in all likelihood had to learn or are still learning to speak English.¹ A 2003 article in the *Wisconsin Blue Book* pointed out that recent immigration to the U.S. "substantially increased the presence in our communities of persons who are not native born" and was higher compared to what was reported in some of the censuses that were taken immediately prior to 2000's.² The 2000 Census also showed that large numbers of immigrants to the state come from parts of the world where English is not the predominant language.³ Therefore, a fairly significant number of Wisconsinites—both adults and children—need to learn English in order to communicate effectively. According to the 2000 Census, 7.3 percent of Wisconsin residents speak a language other than English at home (370,000 people). This is an increase of 39.9 percent between 1990 and 2000. Wisconsin has more than 10,000 residents speaking each of the five most commonly spoken languages; the next 13 languages have over 3,000 speakers each.⁴

From a K-12 perspective in Wisconsin, the department's "2004 Census of Limited-English Proficient (LEP) Pupils in Wisconsin by Language" revealed that the number of students who are limited-English proficient in the state totaled 35,602 (4 percent of a total statewide pupil enrollment of 880,031 in the

¹ Voss, Paul R., Daniel L. Veroff, and David D. Long, "Wisconsin's People: A Portrait of Wisconsin's Population on the Threshold of the 21st Century, *State of Wisconsin Blue Book*, 2003-04 edition, pp. 134-136.

² *Ibid.*

³ *Ibid.*

⁴ Information from U.S. Census Bureau:

- For current (2000) data: http://www.mla.org/census_main
- For 1990 census comparison data: <http://factfinder.census.gov>

2003-04 academic year). The overwhelming majority spoke either Spanish (20,155 or 56.6 percent) or Hmong (10,511 or 29.5 percent).⁵ All told, it is estimated that 117 languages are spoken in the state.

It is easy to imagine how students moving to the United States from another country and speaking their native language can experience academic difficulties in schools. They frequently face different communication problems when venturing outside of their homes. Mastering the English language will help these students to communicate better and learn faster. But often the goal of becoming fluent in English is pursued with such single-minded determination by immigrant and refugee students that they don't continue to build their ability to express themselves through their native language. At times, they even refuse to use their mother tongue at home. Learning English is a meritorious goal for new Americans. But it needs to be done in a way that emphasizes continued learning in one's primary language. Students coming to the United States with no or limited English proficiency are better able to learn English (as well as achieve academically in general) if they also receive training in their native language.⁶

In the professional judgment of the department's Content and Learning Team a "cold turkey" approach, which emphasizes learning English while marginalizing or even abandoning the heritage language, will have a detrimental effect on a child, even compromising the development of basic skills. Most seriously:

- Knowledge of one's native language and culture can be frozen. Ultimately, such knowledge will decrease and be at least partially forgotten.
- The student can be set back linguistically (going from being a fluent speaker to being a stunted speaker) within a relatively short period of time.
- Without instruction in their native language, a student may never develop comprehensive literacy (reading, writing, and speaking) that will make them truly bilingual and able to utilize their native language in academic and career pursuits.

Clearly if any of the outcomes mentioned above occurred, the student's future could fall well short of its full potential.

- Serious damage can be inflicted toward his or her chances for a postsecondary education.
- He or she could have difficulty obtaining well-paying, meaningful employment after high school or college.
- It will be hard for the student to conduct translations. Thus the student is removed from a job market that may be ripe for expansion (given the increasing globalization of the economy) and which he or she otherwise could be in a good position to enter.
- The student's credentials for serving the military in a language-related capacity could be greatly diminished. Currently U.S. armed forces offer bonus foreign language proficiency pay.
- Interacting with peer business associates in other countries—a key responsibility given the increasing number of firms that are conducting business internationally—will be trying if not impossible for him or her.
- Teaching his or her language to others will be much more difficult.

⁵ Wisconsin Department of Public Instruction, "March 2004 Census of Limited-English Proficient Pupils in Wisconsin by Language." Available in the data section of the department's website.

⁶ Cloud, Nancy, Fred Genesee, and Else Homayon. Dual Language Instruction. Boston, MA: Heinle & Heinle, 2000, p.2.

Research has shown the native language and its importance in the life of the student to be a major determinant of the student's post-immigration success (or lack of success) in school.⁷ If the student leaves the heritage language behind in the country he or she came from, impediments to learning can develop largely because academic progress is put on hold while the student tries to acquire English, a process taking one to four years to acquire a social conversation level but four to seven years to acquire the language necessary to succeed academically.

The Proposal

This program establishes a means to assess and enhance students' proficiency in the language other than English used in their family. The proposal consists of three major components—the Lingua Folio Task Force, Heritage Language Assessment Training, and Inservice Training and Demonstration Projects.

Component #1: Lingua Folio Task Force

The website of the North Carolina Department of Public Instruction defines Lingua Folio as “an ongoing formative assessment, that can motivate and reward learners at the same time it informs instruction.”⁸ A Lingua Folio pilot program in Virginia has been expanded to include five southern states working cooperatively with each other (Virginia, North Carolina, South Carolina, Kentucky, Georgia). Based on Lingua Folio, Kentucky!, which the Kentucky Department of Education piloted in 2003-04, the five states are now developing a program called Lingua Folio, Jr. for third through eighth grade students.⁹ That program includes a workbook composed of a language biography that has students record languages the student already knows and language or cultural observations seen or heard. What the student feels helps him or her to read, hear, and pronounce words; develop ideas on how to communicate in a world language; and improve language learning on novice, intermediate, and advanced levels in terms of speaking, reading, listening, and writing.¹⁰

Lingua Folio would be designed in Wisconsin to focus also on heritage languages. It would meet the criteria cited above from the North Carolina Department of Public Instruction to provide ongoing assessment, motivate and reward learners, and inform instruction through creation of an assessment system linked to classroom projects that includes measurable data. If this proposal is adopted here a Lingua Folio Task Force, composed of 25 people who are stakeholders in English Language Learning (ELL) and heritage language issues would oversee the development of the Lingua Folio Task Force. It is anticipated that this component of the proposal would incur the following costs:

⁷ Cummins, J. (1981). The Role of Primary Language Development in Promoting Educational Success for Language Minority Students. In *Schooling and Language Minority Students: A Theoretical Framework*. Los Angeles, CA: Evaluation, Dissemination, and Assessment Center, 1-50.

Thomas, W. & Collier, V. (1998). *School Effectiveness for Language Minority Students*. Alexandria, VA: National Clearinghouse for Bilingual Education.

McLaughlin, B. (1992). Myths and misconceptions about second language learning: What every teacher needs to unlearn (Educational Practice Report #5). Santa Cruz, CA: The National Center for Research on Cultural Diversity and Second Language Learning, p. 5.

Nelson, B. (1996), Learning English: How school reform fosters language acquisition and development for limited English proficient elementary school students (Educational Practice Report #16). Santa Cruz, CA: The National Center for Research on Cultural Diversity and Second Language Learning, p. 15

⁸ Website of the North Carolina Department of Public Instruction, <http://community.learnnc.org/dpi/secondlang/archives/2006/04/linguafolio.php>.

⁹ The website of the Virginia Department of Education, <http://www.doe.virginia.gov/linguafolio/participate.html>.

The website of the Kentucky Department of Education, <http://www.education.ky.gov/KDE/Instructional+Resources/High+School> (left column: choose Language Learning; right column: choose Other World Languages, then choose: Lingua Folio Kentucky!)

¹⁰ *Lingua Folio Kentucky!* Workbook, Kentucky Department of Education website, op. cit. (choose Lingua Folio PDF file)

- The 25 members of the task force will meet eight times during FY08 and six times in FY09. Money is needed for facility rental, one meal, mileage, audio-visual equipment, research equipment, and overnight hotel expenses for long-distance travelers.
- Total expense of the Lingua Folio Task Force component: \$15,000 GPR in FY08 and \$10,000 GPR in FY09; for a total of \$25,000 GPR over the biennium.

Component #2: Heritage Language Assessment Training

The Heritage Language Assessment System will complement the English language assessment system already in place through the World-class Instructional Design and Assessment (WIDA) Consortium (<http://www.wida.us/>). WIDA is a consortium of states dedicated to the design and implementation of high standards and equitable educational opportunities for English language learners. To this end, the WIDA Consortium has developed English language proficiency standards and an English language proficiency test (ACCESS for ELLs™). Further, WIDA has developed Spanish language arts standards and is planning a system of alternate academic assessments for beginning English language learners (SUCCESS™). In addition, research and professional development are integral components of WIDA's missions. Originally established through a federal grant, the WIDA Consortium consists of 12 partner states: Alabama, Delaware, the District of Columbia Public Schools, Georgia, Illinois, New Hampshire, New Jersey, Maine, Oklahoma, Rhode Island, Vermont, and Wisconsin.

Heritage Language Assessment Training will be assigned the following tasks:

- Prioritize ten of Wisconsin's 117 languages for assessment. (Given that 86 percent of the students in the 2004 department census of LEP students spoke either Spanish or Hmong and the other 14 percent were stretched between all of the other languages on that survey, limiting high priority to just ten languages will have the effect of including the vast majority of LEP students in K-12 public education.)
- In conjunction with the Lingua Folio Task Force, work with heritage and ethnic community groups to identify teachers and native speakers interested in becoming language assessors in each of these ten languages.
- Utilize the Oral Proficiency Interview (OPI) to measure a student's language capability. Students wishing to be assessed in a language other than one of the ten that are priorities can take an OPI exam by telephone.
- Assessors and community members speaking the students' heritage languages will work with classroom teachers to develop authentic curriculum-based tasks to help students use their heritage language in academic projects.

It is anticipated that the Heritage Language Assessment Training component of the proposal will incur the following costs:

- 50 assessors times \$1,500 each for OPI training divided by two (community groups will pay half of the expenses) = \$37,500 GPR in FY08.
- OPI exams for 500 students @ \$125 each = \$62,500 GPR in FY09.
- Total expense of component: \$100,000 GPR over the course of the biennium.

Component #3: Inservice Training and Demonstration Projects

This component will accomplish the following tasks:

- Use inservice training workshops to explain the rationale and necessity of Lingua Folio to school administrators, curriculum directors, grade-level and ELL teachers, and department heads.
- Provide a summer training institute to prepare community members who speak the languages identified for this initiative to work with students in their local schools. Training will focus on coaching techniques, literacy development, and language assessment.
- Utilize regional demonstration grants to show how the system described above can accomplish its objectives in a cost-efficient (low per-pupil expenditure) manner, funding the involvement of community language groups with local schools. These demonstration grants to CESAs will show how to link ELL and heritage language programs through collection of community information, school district cooperation, development of Saturday or after-school programs for K-12 youth, assessment development, and training of testers.

It is anticipated that this component of the proposal will incur the following costs:

- 12 CESA workshops @ \$1,000 per meeting = \$12,000 GPR
- Two-day summer institute @ \$4,000 = \$4,000 GPR
- 20 demonstration grants through CESAs times \$3,000 per demonstration grant = \$60,000 GPR. CESAs will need to apply for the grants. No more than two grants awarded to any one CESA.
- Total expense of component (all in FY09) = \$76,000 GPR.

The benefits of this proposal are:

- Parents will know that schools respect and value their heritage language. Because of this, it is anticipated that parents will be willing to insist that their child attend Saturday schools or after-school language programs.
- Community and ethnic groups will become actively involved in language education. The program will encourage these groups to coordinate after-school and Saturday school curriculum with local schools, and to perform a valuable community service by being evaluators of students' language proficiency.
- Students will be "rewarded" and valued for speaking their heritage language. Currently students whose native language is something other than English are stigmatized as being linguistically deficient. In reality, however, these students are already linguistically competent—albeit in a language other than English—and are in the process of becoming bilingual and bicultural.
- Wisconsin's world language numbers will rise. This will help the department show more accurately that a large number of students are currently involved in learning a second language and are being prepared for critical jobs in the global economy.
- The linguistic proficiency of ELL students will rise. Research has shown that it is difficult to learn English when one hasn't fully acquired (or developed) one's native language.

If implemented, the program will link:

- Data on at-risk students—especially Hispanic, ethnic heritage, refugee and immigrant students—with:

- A successful strategy to increase their scores in all academic areas, including reading and mathematics, and give them a route to positive engagement in school.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 4002 – WORLD LANGUAGES INITIATIVE FOR ELEMENTARY SCHOOLS

282 – Grants for elementary world languages

s. 20.255 (2) (ch) – New

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$0	\$837,500

Request/Objective

The department requests \$837,500 GPR in FY09 to fund the first year of a project entitled the World Languages Initiative for Elementary Schools.

Background/Analysis of Need

Global Economy and Security Issues Raise the Importance of Early World Language Instruction

The globalization of the economy demands that more Americans become fluent in at least one language besides English. While Wisconsin has the third highest percentage in the nation of students in foreign language courses at the beginning or intermediate level, it enrolls a much smaller percentage of students at advanced levels. Currently, 60 districts are teaching languages in some elementary grades. However, because of financial considerations elementary schools are now moving away from teaching world languages or downsizing to teaching only Spanish. Revenue limits cause many districts to engage in annual budget reductions. The emphasis of the No Child Left Behind Act on assessments in reading and math moves those subjects to center stage but it can marginalize other subjects, exacerbating financing problems for early world language instruction.

When students begin to learn languages in addition to English during their elementary grades they develop native-like pronunciation, plus natural and automatic sentence patterns. By beginning in elementary school, students are able to enter advanced courses in high school, reaching levels of proficiency normally only obtained by university students. This provides the means for Wisconsin to reach a goal of President Bush's National Security Language Initiative, providing programs so that students can reach advanced levels of proficiency. In addition, the evidence in districts with strong world language instruction in elementary grades shows that students often begin to learn their third language in middle school or senior high school, adding to the world language capacity in the United States. Languages' positive effect on the maturation of cognitive abilities could be considered an "equalizer".¹¹ Students who are traditionally disadvantaged but study languages make better score gains in state language arts and mathematics examinations. Indeed, in a recent study of fourth graders in Louisiana, students who studied languages did better than those who did not in every subtest of their

¹¹ Garkinkel, A. and K.E. Tabor. (1991) "Elementary School Foreign Languages and English Reading Achievement: A New View of the Relationship." *Foreign Language Annals*, 24, 5, 375-382. The authors studied English reading data and found that there was a very significant relationship between high scores in reading and extensive foreign language study for students. In addition, Cloud, et al, cited in 3 below, referring to foreign language immersion programs, said: "[R]esearch has shown that immersion programs are effective for students who often struggle in school because they come from low socioeconomic backgrounds or they have low levels of academic achievement" (page 3).

Cooper, T.C. (1987) "Foreign Language Study and SAT-Verbal Scores." *The Modern Language Journal*, 71, 4, 381-387. (Even world language students from lower socioeconomic backgrounds performed basically the same on the SAT as their peers who came from more affluent families.)

Hart, A. and J. Harris (1998) "An Assistant Superintendent and Curriculum Specialist View the Models." In Met, Myriam, ed., *Critical Issues in Early Second Language Learning*. Glenview, IL: Scott Foresman – Addison Wesley. (Found that a daily language learning model is helpful in efforts to "level the playing field with ESL and other at-risk students.")

state's assessment. According to the department's Content and Learning Team (CALT), these gains do not occur with random and sporadic exposure to other languages; rather, this impact comes from regular instruction in other languages of at least 90 minutes per week.

Benefits of Early World Language Education

Personal benefits of learning a world language include doors being opened to careers, research, travel, friendships, and an understanding of culture; literacy in first language improved; and enhanced brain development (because studying world languages helps students better understand the grammar, structure, and culture of their own language—English). In a broader sense, language study helps students develop cognitive abilities at an early age. Research shows the compatibility of language development with divergent thinking, problem solving, and pattern recognition.¹² As the website of the North Carolina Department of Public Instruction and the North Carolina State Board of Education pointed out: “Early language learning may be easier than learning a language later in life. Research in brain mapping reveals that young children who learned another language in infancy use the same brain circuits for both their native and their second language whereas adult learners rely on special brain circuits to learn another language. Before age 10 or 12, students have a better ‘window of opportunity’ for learning to reproduce exact sounds. Past that age, students can certainly still learn and become very proficient in a language, but it is unlikely they will acquire native-like pronunciation. Language learning that begins early and continues uninterrupted yields greater levels of fluency and proficiency.”¹³ Some economic benefits of students learning a world language are that they are provided with a “competitive edge” for obtaining jobs and it gives them a deeper understanding and respect for other cultures.¹⁴ In addition, economic development advocates support students learning world languages. States with a high percentage of world language scholars stand a better chance at being in the winner's circle when firms that do business at the international level make site decisions. Common arguments include that when a state recruits such a company, it is likely that high-paying jobs will open up within its borders and there may be a spin-off effect that benefits people who are not employed by these firms (suppliers, etc.). While it is true that manufacturing is and always will be important to Wisconsin, the state needs to develop more knowledge-based jobs because of anticipated future employment trends. These are also the jobs that increasingly involve international travel, contacts, and clients.

Exports are critical to the Wisconsin economy. In 2005, the total dollar value of Wisconsin's exports (\$14,923,487,000) placed it 18th among all U.S. states; in comparison, Wisconsin's population places it 20th among all U.S. states. Businesses need to sell in the language of their customers. For Wisconsin, the number one destination for exports is Canada, where French is required for all product labeling. Following in order, Wisconsin's export destinations are Mexico, Japan, China, United Kingdom, Germany, France, Belgium, Australia, and South Korea.¹⁵

Comparison of Wisconsin to Other Jurisdictions Regarding Early World Language Instruction

The department's research involving world language learning in Wisconsin, compared with other jurisdictions, led to the following conclusions: First, *Wisconsin is doing as well as other states if languages are offered only in secondary grades*.¹⁶ Ten states require that middle schools offer instruction in world languages, including Wisconsin, with the requirement for instruction to be available in grades 7 and 8. Only four states require that languages be offered in elementary grades (Louisiana,

¹² Cloud, Nancy, Fred Genesee, and Else Kamayan. *Dual Language Instruction*. (2000) Boston, MA: Heinle & Heinle, 3.

¹³ The website of North Carolina Department of Public Instruction and the North Carolina State Board of Education. www.ncpublicschools.org.

¹⁴ National Association of State Boards of Education. (2003) *The Complete Curriculum: Ensuring a Place for the Arts and Foreign Languages in America's Schools*. Alexandria, VA: NASBE.

¹⁵ Website of TradeStats Express™ <http://tse.export.gov>. Last accessed June 5, 2006.

¹⁶ DPI statistics from 2003-04.

Draper, Jamie B and June Hicks (2002). *Foreign Language Enrollments in Public Secondary Schools, Fall 2000*. Alexandria, VA: American Council on the Teaching of Foreign Languages.

New Jersey, Oklahoma, and Wyoming), but of these, only Wyoming requires that students receive the instruction. Wisconsin does well with 53.9 percent of all students in grades 6-12 enrolling in world languages in a given year, placing Wisconsin third highest in world language enrollment in the U.S. (behind only New York and Nebraska). Second, *Wisconsin is doing as well if not better than its neighboring states—Minnesota, Iowa, Illinois, and Michigan—in providing early world language instruction.* Of these states, only Wisconsin's state education agency (SEA) has a consultant position for world languages and a consultant position for international education. Among its neighbors, only Wisconsin requires instruction in world languages in middle school grades (grades 7 and 8).

However, it can be argued that *Wisconsin is not doing as well when compared to other countries around the world.* There is an increased sense that Wisconsin's competition is not with its neighboring states, but rather with developed and developing countries around the world. The Council of Europe has set the target of beginning students' first world language (usually English) in second grade rather than fifth grade as is common today. In Brazil, second language instruction begins at the age of 11. In Thailand, English instruction begins at the age of 6. Most U.S. students first learn a language other than English at the age of 14. In short, Wisconsin is not keeping up with the rest of the world in providing early world language instruction. In addition, Wisconsin's students are not reaching advanced levels of proficiency in languages other than English. To make another language a lifelong skill, students must reach higher levels of proficiency, beyond merely a few years of study. Only 14.7 percent of the students in Wisconsin's middle school or level I high school language courses are still studying the language in advanced level courses (level IV or beyond). Research shows that after six years of instruction in middle school and senior high, even including Advanced Placement coursework, students are only at the intermediate-mid level, which is what companies require for entry level jobs like a cashier or tour guide.

Even more alarming, Wisconsin's students are losing opportunities to learn languages in elementary grades. In the department's enrollment report of 2004-05, 47 school districts report the offering of world language instruction in some or all of their elementary grades, PK-4. An additional seven school districts report the offering of world language instruction in grade 5, but not at all in any grades PK-4. In the department's enrollment report of 2002-03, 58 school districts reported the offering of world language instruction in some or all of their elementary grades, PK-4; an additional five districts reported the offering of world language instruction in grade 5, but not at all in any grades PK-4. This represents a 19 percent net loss of world language instruction in any of grades PK-4.

Support for Early World Language Education

According to CALT, many Wisconsin school districts have considered starting world language programs at the elementary level. If it had been financially possible to follow through on these plans, it would likely mean that in several years more students would have been in a position to enroll in advanced courses—something that world language advocates consider an important milestone in becoming fluent in one or more world languages. In the professional judgment of CALT consultants, if even a modest number of elementary schools had world language programs, the state could develop more graduates who not only pick up bits and pieces of a world language, but who are able to speak it fluently. Despite support from school boards and parent-community groups, however, CALT points out that few elementary schools have been able to follow through on plans for teaching world languages early. The problem is money. Revenue limits make it difficult for school districts to continue funding existing programs, let alone to start new ones. Often, the answer is a spending referendum, for which there is no guarantee of success. As a result, public schools have had trouble finding enough money to make early world language instruction an offering. The Wisconsin International Education Council has recommended that Wisconsin expand the offering of languages in PK-16 schools and expand world language offerings at the elementary level to 50 percent of Wisconsin's school districts by 2020 (currently available in 14 percent of Wisconsin's districts).¹⁷ In addition, the International Education Task Force appointed by Governor Thompson in 1997 to work under the guidance of the Wisconsin

¹⁷ Source: *International Education Recommendations*, Wisconsin International Education Council, 6.

International Trade Council (WITCO) proposed to begin world language instruction in elementary grades, targeting 200 school districts to have immersion programs by 2015.

Rationale for the Proposal

The need is there and other states already are acting: Data from the National Council of State Supervisors for Languages (NCSSFL) identifies five states requiring that schools provide instruction in world languages in some if not all elementary grades: Louisiana (beginning in fourth grade); Maine (beginning in 2007-08); New Jersey; Oklahoma (language awareness in grades 1-3; required sequential instruction in a world language beginning in grade 4; required of all students in K-8), and Wyoming (universal world language instruction mandated for all students in grades K-2). It should be noted that Wyoming has roughly one-tenth as many students in its public schools as Wisconsin. Yet in June 2004, it made \$5 million available for a five- year “Wyoming Elementary School Foreign Language Pilot Program” (\$2 million in the first two years; \$3 million in the last three if in the state legislature’s judgment the first two years were a success).¹⁸ In the future these five states—as well as others which might aggressively pursue world language training—could enjoy economic growth that otherwise would be Wisconsin’s if the Badger State had produced more world language scholars.

The proposal should not be a local mandate: Instead of placing a state mandate on localities, the department wants to take a cooperative partnership approach. It’s necessary to get to the heart of the problem—money—and offer financial assistance to school districts that start early world language programs. This approach is positive in that it respects the long-standing Wisconsin tradition of local control and further shows sensitivity to the tight financial constraints under which many school districts in the state are operating. It should be noted that since 2000, over 50 districts have discussed with the department in detail how to bring world languages to elementary grades.

It needs to be understood that the overall concept of this proposal is to provide financial assistance to public schools over a limited (six-year) period. It would be used to modestly begin world language programs for elementary schools by starting a world language in first grade. The school would then add a new grade every successive year until all elementary grades—first through sixth—are studying a world language. This would link with the currently required instruction in world language in grades 7-12. After the sixth year, financial responsibility for the program rests solely with the school district, if the district elects to continue providing the program. To avoid dropping or downsizing the program when the grant is exhausted, the use of resources such as appropriate federal funds, state equalization aid, and property tax dollars could be considered.

The Proposal: How State Assistance to Local Districts for Early World Language Instruction Would Be Structured:

Component #1: Application, Phase-In of Sites

Quality of application, ability to raise local resources as mentioned above, and regional allocation will be the criteria for selecting applicants for grants. Evaluators will strive to create a balance between rural, suburban, and urban schools. This policy should compensate for the present inequality of opportunity under which more world language instruction is available at the elementary level in suburban schools than in urban and rural schools. As such, the proposal clearly ties in with the department’s rural and Milwaukee initiatives. The requirement that there be a balance between rural, suburban, and urban schools will help assure an equality of opportunity that could aid in closing the achievement gap.

Twenty-five new sites will be added each year through the first four years of the program, meeting the department’s goal of having 100 sites up and running within four years. It is already required under Chapter PI 34, Wis. Admin. Code, that new candidates for world language certification be prepared to teach in grades K-12 (early child adolescence).

¹⁸ Press Release, Wyoming Department of Education, “Pilot Foreign Language Program Launched,” June 29, 2004.

Component #2: Compensation Package Reimbursement

The grant will pay a portion of teaching salaries for teachers hired under this program for a limited time during the build-up of the program, starting with first grade and adding a grade level each year until the language instruction is in place in grades 1-6. Per award, the grant will pay for:

- \$30,000 of one teacher's compensation package for each of years one and two.
- \$30,000 of each of two teachers' compensation packages for each of years three and four.
- \$15,000 of each of two teachers' salary packages for each of years five and six.
- School districts will be expected to provide the remainder of the teacher's compensation package, and to pay for sending the affected teachers to the professional development activities outlined below which state money does not cover.
- NOTE: To provide matching funds, the department suggests that school districts may want to consider developing local resources, building community partnerships, and utilizing the expertise of those in the community who speak languages other than English, share teachers from middle and high school grades, and involve the local business community.

Component #3: Professional Development

Special-focus seminars will bring together teachers from across the state who are implementing the local programs under this proposal. Workshops will be provided for the language teachers partially subsidized through this program as well as for two classroom teachers in the newly added grades. These three teachers in each participating school must attend two workshops each year. Under this proposal, participation costs are paid up to \$250 per workshop, with three teachers per school participating in two workshops per year. The language teachers will learn appropriate techniques and content for learning languages in elementary grades. The classroom teachers will learn ways to design units with the language teachers so the language instruction is integrated with the grade level curriculum, such as reading and language arts, math, social studies, science, health, physical education, and family and consumer education. In addition, the workshops will demonstrate how the classroom teachers can "learn alongside the children," modeling language learning strategies. Using PI 34 networks and networks developed by the Wisconsin Association for Language Teachers (WAFLT), new language teachers of elementary grades as well as their regular classroom teachers will be connected to a specifically assigned supervising teacher who has experience teaching world languages to elementary school children. He or she will meet with the teams at least monthly to observe, discuss instructional strategies and make connections to curriculum sources and assessment options. (Under this proposal, a supervising teacher will receive honoraria, paid by state GPR, of \$100 per month, with an anticipated 10 months of service—\$100 X 10 = \$1,000 per supervising teacher per year).

In addition to the professional development requirements described above, there will be the following professional development opportunities for the new teachers hired under this grant to network. The following professional organizations will address issues and needs of the new group of teachers focusing on elementary students:

- American Association of Teachers of French—Wisconsin (AATF-WI).
- American Association of Teachers of German—Wisconsin (AATG-WI).
- National Network for Early Language Learning (NNELL).
- Wisconsin Association of Slavic and East European Languages (WAATSEEL).
- (Wisconsin Chapter) American Association of Teachers of Spanish (WAATSP).
- Wisconsin Association of Chinese Language Teachers (WACLT).
- Wisconsin Association of Teachers of Japanese (WIATJ).
- Wisconsin Latin Teachers Association (WLTA).
- Wisconsin Association for Language Teachers (WAFLT).
- Friends of International Education.

Conferences, awards, advocacy, grants, workshops, student scholarships, and community outreach will be possible areas of assistance from these organizations. State money will not be utilized to facilitate or sponsor networking opportunities. Professional development funding from Title II-A will be used to augment the GPR funds requested here. Title II-A funding will help pay for release time. This is already-allocated money that is not part of this budget request. In addition, web-based professional development will continue to be part of a Title II initiative.

Component #4: Curriculum Development and Materials

Curriculum development and materials will be provided to schools as part of an additional annual grant of \$1,000 for each participating school.

Funding Summarization

Requested funding level for the different components of this proposal are outlined in the table below:

Table 1—Potential Budget for Proposed Elementary World Languages Program, by Activity, FY09

Activity	Proposed GPR FY09
Salary reimbursement: \$30,000 of teacher's compensation package <ul style="list-style-type: none"> FY09: 25 teachers x \$30,000 for first round of site openings. 	\$750,000
Professional Development—Workshops: Two workshops per year for three teachers from each site (the new teacher hired under this grant at each site <u>plus</u> two other elementary school teachers from each site) <ul style="list-style-type: none"> FY09: 25 sites open = 75 teachers x 2 workshops x \$250 per workshop 	\$37,500
Professional Development—Supervising Teacher Honoraria: \$1,000 per site per year: <ul style="list-style-type: none"> FY09: 25 sites open x \$1,000 per site. 	\$25,000
Curriculum materials: <ul style="list-style-type: none"> FY09: 25 sites open x \$1,000 per site. 	\$25,000
Total GPR (Entire Program)	\$837,500

Statutory Language

The department is proposing statutory language related to this request. See *World Languages Initiative for Elementary Schools* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 4003 – WISCONSIN EDUCATION FOR STEM

101 – General program operations

s. 20.255 (1) (a)

283 – Grants for science, technology, engineering, mathematics programming

s. 20.255 (2) (fz) – New

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
State Operations	\$96,000	\$96,000
Grants	\$61,500	\$61,500
Total Request	\$157,500	\$157,500

Request/Objective

The department requests \$157,500 GPR in both FY08 and FY09 to address achievement and participation gaps in science, technology, engineering, and math and in career pursuits regarding these fields.

Background/Analysis of Need

STEM: An Important Economic Development Tool

Knowledge-Based Economy: Wisconsin faces the challenge of developing an economy that is more knowledge based than is presently the case. Encouraging a significantly higher number of talented students to consider careers in Science, Technology, Engineering and Math (STEM) could be an important step in remedying this situation. Equally important, given STEM-related advances and the influence of those advances on the economy, there is a great need for all Wisconsin students to have a solid foundation in these areas of study. Finally and perhaps most critically, there are troublesome participation gaps in STEM that have the potential to widen the achievement gap if they are not successfully addressed soon.

Wisconsin's Average Job Earnings Should Be Stronger: Wisconsin's average earnings per job are ranked 31st out of the 51 political jurisdictions in the U.S. (the 50 states plus the District of Columbia). Of the four states contiguous to Wisconsin, only Iowa lags behind Wisconsin in this regard. Other state neighbors are significantly ahead: Illinois (ranked 7th) by 28.1 percent, Michigan (ranked 9th) by 22.1 percent, and Minnesota (ranked 19th) by 13.1 percent. The U.S. average leads Wisconsin's by 17.9 percent.¹⁹ If Wisconsin's average job earnings were just 10 percent less at the time of the 2000 census, the state would have ranked 44th and been just above the middle of the lowest quartile of states.²⁰

¹⁹ U.S. Census Bureau. www.census.gov / click on FedStats under "Special Topics" / locate state of interest under MapStats / click on "Submit." Rankings calculated by the author of this paper.

²⁰ Source for raw data: U.S. Census Bureau, www.census.gov. Once on the Census Bureau website, find the information by following these steps:

- Information regarding Baccalaureate Holders go to "American Fact Finder," click on "People,"
- Information regarding Median Income go to: "American Path Finder," Click on "People," Click on "Income," click on either the "2000" tab or the "2004" tab, depending on the year for which you want information; under the heading "Income and Poverty" click on "For All States," on the table, look for the column entitled "Median Income in 1999 (Dollars)"; then look for sub-column entitled "Households."
- Rankings calculated by the author of this paper.

In an economy that is increasingly knowledge-driven, Wisconsin does not have enough college graduates—the state needs 72,000 more to meet the national average.²¹ At present rates of GPR support per student, the UW System (UWS) would need to have \$46,620,000 in additional GPR support each year for the next 10 years to meet only half of this need (i.e. 36,000 additional baccalaureates) by the middle of the next decade (and that is only if the UWS started producing the additional graduates now, and they all lived in Wisconsin after graduation).

STEM Produces Good-Paying Jobs

In the 2000 Census, there is a linkage between the top quartile of college graduates a state has on the “one hand” and the top quartile of the state’s average job earnings on the other. Of the 13 states that were on the top quartile for average job earnings for 2000, nine were also in the top quartile for percentage of adults 25 and over with a baccalaureate degree for the same year.²² Furthermore, an argument can be made that STEM-related jobs contribute to increasing this statistic for the state. Therefore, anything Wisconsin can do to develop a STEM-friendly workforce, it should do.

The Department of Workforce Development (DWD) maintains a list of the 25 jobs in the state that are expected to be the fastest growing in the state during the 10-year period from 2002 to 2012 on a website entitled Worknet (www.worknet.wi.gov). The Worknet list, as of August 1, 2006, places heavy emphasis on STEM and STEM-related jobs.

The list shows that of the top 25 growth jobs in Wisconsin, as identified by DWD:

- 21 are either clearly STEM jobs or are at least related to STEM in some way.
- 16 of the jobs that are referred to above are STEM-related and require at least some postsecondary training.

A good number of these jobs show promise for interesting careers, solid compensation, and job security for ambitious young people:

- All of the jobs are projected to have healthy growth rates from 2002 through 2012—from 35.7 percent to 56.4 percent.
- The annual entry-level salary schedule for these jobs ranges from \$19,620 - \$52,116.
 - In 2000, the U.S. Census reported that the average annual job earnings for Wisconsin was \$30,807. Using the “Inflation Calculator” of the Bureau of Labor Standards of the U.S. Department of Labor, \$36,293 would be needed to have the same purchasing power today in 2006. In inflation-adjusted terms, 10 of these 16 jobs exceed this threshold at the entry level.
 - The 2000 Census also reported that the average annual job earnings nationwide was \$36,923, which when inflation-adjusted to 2006 dollars is \$42,787. Six of these 16 jobs exceed \$42,787 at

²¹ Report of the Joint Committee on Baccalaureate Expansion, “Expanding Access to Baccalaureate Education: Report of the Joint UWS/WTCS Committee on Baccalaureate Expansion,” Executive Summary, January 2005.

²² Quartile analysis done by the author of this paper with information from the U.S. Census Bureau, www.census.gov. For baccalaureate holders, click on American Fact-Finder, click on “Education,” click on the 2000 tab. Under the heading “Language, Enrollment, and Attainment,” click on “for all states.” On the table, find column entitled “Population 25 Years and Older,” then look for sub-column entitled “Percent with a Bachelor’s Degree or Higher.” For Average Earnings per Job, go to www.census.gov. / click on FedStats under “Special Topics” / locate state of interest under MapStats / click on “Submit.” Rankings calculated by the author of this paper.

the entry level. (It should be kept in mind that reaching the national average has been suggested by many as a goal Wisconsin should strive for).

- All seven of the jobs that generally require a baccalaureate degree exceed the inflation-adjusted state average listed above. Five of them are above the inflation-adjusted national average listed above.
- At the entry-level, annual pay for baccalaureate holders begins at \$38,974.
- The annual “average” salary schedule for these jobs ranges from \$26,166 to \$81,177.
 - At this level, 13 of the 16 jobs exceed the inflation-adjusted average job earnings for Wisconsin of \$36,293, including all of the baccalaureate holders.
 - Eight of the jobs exceed the nationwide inflation-adjusted job earnings of \$42,787, including all but two of the six baccalaureate holders.
 - At the average level, annual pay for baccalaureate holders begins at \$58,059.
- The annual salary schedule for experienced workers ranges from \$29,438 to \$101,456.
 - At this level, 14 of the 16 jobs exceed the inflation-adjusted average job earnings for Wisconsin of \$36,293, including all of the baccalaureate holders.
 - Eleven of the jobs exceed the nationwide inflation-adjusted average job earnings of \$42,787, including all of the baccalaureate holders.
 - Indeed, the lowest paid baccalaureate degree holder at this level is earning \$67,602—beating the national average by \$24,815 (or 58 percent) and the state average by \$31,309 (or 86.3 percent).

If Wisconsin takes advantage of STEM-related opportunities, not only would many young people have a good chance of satisfying careers and secure financial futures, the state would be also be a winner in that it would collect more tax dollars without raising tax rates. Moreover, there would be a larger corps of college-educated students in Wisconsin to attract knowledge-oriented companies which understand it is in their best interest to locate in a place where comparatively large numbers of baccalaureate holders live. The proposal outlined below is designed to assist public K-12 institutions throughout the state realize the full potential of STEM.

STEM and K-12 Leadership

The department has had a history of working on STEM achievement and participation issues: This has included the Math and Science Partnership Program and the Wisconsin Girls Collaborative Project. These programs have included the Experimental Aircraft Association, the University of Wisconsin (UW) System, UW-Oshkosh, UW-Platteville, the Wisconsin Girl Scouts, Inacom, and Microsoft. Historically, there has been sensitivity on the department’s part regarding this issue.

Teachers/counselors must be prepared to help students succeed in STEM: Despite past efforts of the department and school districts on STEM, current practice relating to STEM in many Wisconsin schools needs re-focusing. Science, technology, engineering, and math have always been necessary disciplines. But they were never as important as they are now as the rapidly emerging knowledge-based economy continues to grow in importance. It is re-shaping job markets. Nations and states which do not deal effectively with this reality are likely to realize losses in jobs and in overall economic health. For this reason, teachers and guidance counselors need to be prepared to help talented young people take advantage of postsecondary opportunities which can lead to jobs like those described above.

Teachers/counselors must be able to effectively work with minorities and economically disadvantaged students to make certain they are not under-represented in STEM learning opportunities: Since there is an achievement gap between students who are from disadvantaged economic backgrounds and those who are not, educators need to work to assure academically talented but economically disadvantaged students learn of the opportunities that are available to them through STEM-related courses. Currently, economically disadvantaged students are disproportionately under-represented in these courses and lag behind in achievement tests in areas like math. If educators are prepared to offer effective counseling on STEM, it could help close the achievement gap. Failure to effectively address this problem may result in a widening of the gap.

STEM rigor and relevance: The department asserts that the rigor and relevance of STEM curriculum in public schools needs to be evaluated critically, to assure that both of these elements are sufficient considering STEM's increasing economic importance. This cannot be achieved by increased graduation requirements or attainment of Carnegie units. Instead, rigor and relevance must be achieved through comprehensive systemic efforts that address the four key areas discussed below. The department believes that the components outlined in this request are logical next steps.

The Proposal

Component Overview

In order to overcome some of the issues resulting in achievement and participation gaps in STEM courses and career pursuits, and to better prepare Wisconsin students for meaningful careers in STEM-related fields, the department proposes that the state fund a system that will allow for coordinated and systemic efforts addressing four key areas related to STEM education around the following four areas:

- **Assessment**—being able to better assist classroom teachers in assessing a student's competency in STEM through a leadership team which will deal with STEM-related professional development for educators.
- **Professional Development**—through collection and publication of best practices material, attendance and presenting at professional conferences, and assisting schools in developing timely and effective STEM instruction.
- **Closing the STEM achievement gap**—through mini-grants, for which schools can compete, to be used to target students who are traditionally unrepresented in STEM.
- **Development of a network of stakeholders** who will establish a leadership group and set a strategic vision for Wisconsin's work with STEM.

Component #1: Assessment. Help PK-12 educators develop classroom assessment models that are versatile, dynamic and efficient for them to use in order to better identify and support students in their STEM-related learning. This could entail the use of formative assessment models like NAEP and classroom action based assessment models. To exchange information and have meaningful networking opportunities, department personnel will attend and make presentations at professional conferences such as the American Association of University Women, the Wisconsin Education Association Council, the Association for Gender Equity and Leadership in Education, the American Society for Supervision and Correction, and the Council on Math Education.

Component #2: Professional Development. Provide learning opportunities for educators who work with students who may be interested in majoring in a STEM field in college and then pursuing a STEM career. These professionals need to develop their own information bases to provide meaningful help to these young people. Elements of this component:

- Workshop planning and implementation would take place four times a year, to educate teachers and counselors about assessment models within classrooms best practices in providing instruction in STEM and in guiding students interested in STEM-related postsecondary instruction and careers. Educators will not be able to provide helpful information to their students unless they have up-to-date knowledge of what opportunities are open to the students and how those opportunities can be effectively accessed. These workshops will be designed to meet that need.
- Some of the goals in STEM professional development will be:
 - The improvement of science and math literacy in career and technical education programs.
 - Expand Project Lead the Way to invite greater partnerships in the program by math and science teachers.
 - Identify best practices in math and science through school district collaboration with career and technical education specialists.

This component is closely related to Component #1 above in that the assessment component concerns itself with professional development issues.

Component #3: Close the STEM Achievement Gap. Work with local districts to create systems and processes for identifying and supporting under-represented and academically challenged students in STEM earlier than in the past. This will be implemented by providing mini-grants to school districts on a competitive basis. The money is to be used to provide schools with seed money to develop innovative STEM instructional programming targeting students under-represented in STEM and increase academic and technical achievement.

Component #4: Stakeholders' Network (STEM Education Council). Create a network of stakeholders (e.g. Wisconsin Academy of Arts and Science, local Chambers of Commerce, Workforce Investment Boards, local technical college institutions) which will work to build family and community awareness of the importance of STEM as well as the postsecondary and career opportunities in STEM. The department proposes that this goal be accomplished through a joint council between the State Superintendent and the Governor that has ties to regional economic development groups, community organizations, and state-lead partners. The stakeholders can help in building key collaborative relationships that will bring educators, community-based organizations, scientists and business together to help students by providing contextual learning opportunities in STEM with the goal of closing the achievement gap. This leadership group will need to be organized, council meetings will have to be conducted, and a shared strategic vision will have to be developed consensually. In addition, this council will develop a program evaluation component to measure the results of the program.

A summary of the department's request, broken down by component, as well as by elements of each component, is on Table 1:

Table 1: Activities and Annual Spending by Component

Component	Activities Performed by Component (proposed annual spending in parenthesis)	GPR Request (annual)
#1 Assessment	<u>Attendance and Presentation at Professional Conferences:</u> Attend/present at professional conferences like ASCD, WEAC, Council on Math Education, AAUW, AGELE. (\$7.5K)	\$7,500
#2 Professional Development	<p><u>Meeting Planning and Facilitation:</u> Plan and facilitate leadership cadre meetings and professional development. CALT and CTE anticipate there will be four meetings per year to address best practices in STEM pedagogy and student/family workshops in STEM. (\$8K)</p> <p><u>Best Practices Material Collection and Publication:</u> Collect materials and publish (in print or online) resources that enable teachers to use best practices in STEM instruction across all grade levels. (\$12.5K)</p> <p><u>Workshop Planning and Facilitation:</u> Plan and facilitate professional development workshops that address best practices in formal and informal assessment and using assessment to guide instruction. Four workshops per year. (\$4K)</p> <p><u>Assist School Districts to Develop Integrated STEM Instruction:</u> Plan and facilitate professional development which assists schools develop integrated STEM instruction that crosses traditional school content areas so that students gain opportunity to apply STEM learning in multiple classes in several disciplines within the school curriculum. (\$20K)</p>	\$44,500
#3 Mini-Grants	Initiate mini-grant program to provide schools with seed money to develop and implement innovative STEM instructional programming targeting students under-represented in STEM. (\$61.5K)	\$61,500
#4 STEM Education Council	<p><u>Establish Council.</u> Organize this leadership group, appoint council members and conduct meetings that create shared vision and set strategic vision for Wisconsin's work with STEM in the K-12 system and alignment to postsecondary and career opportunities. (\$30K)</p> <p><u>Needs Assessment.</u> Do needs assessment to assist with visioning process. (\$4K)</p> <p><u>STEM Program Evaluation.</u> Develop and provide professional development on classroom action models that would research and measure results. (\$10K)</p>	\$44,000
	ANNUAL GRAND TOTAL	\$157,500

ACRONYM KEY: AAUW = American Association of University Women; AGELE = Association for Gender Equity and Leadership in Education; ASSC = American Society for Supervision and Correction; WEAC = Wisconsin Education Association Council

Departmental Participation in the Efforts of the Wisconsin Academy of Sciences, Arts, and Letters (WASAL)

The department plans to work with the Wisconsin Academy of Sciences, Arts, and Letters (WASAL) if, as anticipated, it launches an effort to promote STEM education in the state. Department representatives attended a July 18, 2006 conference entitled *Rising Above the Gathering Storm: Energizing and Employing America for a Brighter Economic Future*. Numerous potential partners with the department in this endeavor spoke of entrepreneurship, biotechnology, workforce development, the promotional program for engineering of Project Lead the Way, and a scan to determine what is happening with STEM across the state now including snapshots of current programs (although it was pointed out that programs are being developed so quickly that a survey would quickly become obsolete). Among the attendees, in addition to the department, were representatives from:

- Biopharmaceutical Technology Center Institute (BTCI).
- Office of Corporate Relations, UW-Madison.
- WASAL.
- Wisconsin Manufacturers and Commerce.
- College of Engineering, UW-Madison.
- Extended Programs, UW-Madison.
- School of Education, UW-Madison.
- Department of Teaching and Learning, Madison Metropolitan School District.

The department plans to work with these potential partners and share information with them if this budget request is approved.

Statutory Language

The department is proposing statutory language related to this request. See *Wisconsin Education for STEM* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 4004 – INTERNATIONAL EDUCATION

101 – General program operations **s. 20.255 (1) (a)**

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$38,000	\$38,000

Request/Objective

The department requests \$38,000 GPR in both FY08 and FY09 to support the following activities in international education: the Japanese Teacher Seminar, the China Initiative, and the France Exchange Projects.

Background/Analysis of Need

International education will play a great—perhaps a defining—role in the lives of professionals in tomorrow's workplace because of increased globalization. Thus, from an economic development as well as an academic standpoint, there is an increased need for comprehensive, well-integrated international education programs in our public schools today. State education agencies need to provide leadership and resources to school districts so this need can be met.

The department internally budgeted \$40,000 for international education-related activities in FY06. Of this amount, \$11,100 was GPR and the rest was funded with program revenue (PR) dollars through outside grants. \$20,000 of the roughly \$29,000 PR came from a Goldman Sachs award given to the department, which is unlikely to occur again in the next biennium.

The department asserts these resources should be expanded in FY08 if the state and school districts are to take full advantage of long-term internationally-related economic development opportunities.

Reactivation of Discontinued Activity

The department's proposal would fund reactivation of the following activity discontinued for three years because of the Japanese recession. The Japanese have now agreed to resume the activity, which the department plans to do in FY08.

Japan Teacher Seminar: Established in 1990, the seminar sends 12 teachers and administrators to Japan every other year. During alternate years, the department hosts 12 teachers and administrators from our sister prefecture in Chiba City, Japan (Japanese teacher/administrator expenses financed by an educational agency in Japan). The department contributes \$500 toward the airline tickets of the 12 teachers and administrators who are traveling to Japan; the teachers and administrators pay their other expenses themselves; however, the department contributes \$6,000 toward the cost of the Japanese teachers and administrators when they visit Wisconsin. Since the program has been dormant for the last several years, additional money is needed to catch up with inflation and to possibly redesign it to offer further financial incentives to participate.

A total of \$6,000 GPR annually in FY08 and FY09 is requested for this activity.

Establishment of New Projects

The department's proposal would fund establishment of the following new projects:

France Exchange Projects: As a result of a new memorandum of understanding (MOU) signed by the State Superintendent in 2006, the French will send teacher assistants to teach in Wisconsin classrooms, while the department sends teachers to serve in French classrooms. The department would use the requested funds to send principals to France every two years, and to host French principals in the alternate years. The MOU attests to the importance of increased student and teacher connections with Bordeaux and Aix Marseilles in France, and with educators in the European Union in general. The department asserts that without a base of some GPR funds, most initiatives identified in the French MOU will be dependent on finding partners who can provide the funding. This may move some initiatives forward but will diminish the role and visibility of the department in the process.

Total cost of this project is \$12,000 GPR in both FY08 and FY09.

China Initiative: This initiative is composed of two components explained below.

Component 1—Chinese educators teaching in Wisconsin for a full academic year. The department would invite five teachers from China to teach in Wisconsin schools beginning in the 2007-08 school year. The department hopes to increase this number to 10 in the 2008-09, then 15 in 2009-10. The department would require each participating school district to provide \$8,000 per Chinese educator teaching in their district and that the payment be made in every academic year the school district participates in the program. The money provided by the school districts would be used to provide support for the teachers in the following manner:

- \$5,000 would be paid to the visiting teacher. It is expected that this money would be used for living expenses, transportation, insurance, etc. In lieu of paying at least some of this money, the district could instead provide a place to live, a means of transportation, etc.
- \$2,000 would be paid to the department for professional development for the teacher (summer orientation).
- \$1,000 would be used to cover travel, hotel, and registration to attend three teacher development conferences: Wisconsin Association of Foreign Language Teachers in November, the Wisconsin Association of Chinese Language Teachers in January, and the Center for Asian Studies in February.

Note that the salary of the Chinese teacher is paid by China and that participating school districts pay the entire amount to fund this part of the proposed program. Therefore, GPR will not be necessary to fund this component.

Component 2—Two-week summer orientation, initiated by the department, which would serve the following educators:

- Five Chinese teachers chosen to participate in this initiative.
- An anticipated ten other Chinese teachers who have come to Wisconsin through other exchange-type programs.
- Estimated ten Wisconsin teachers who speak Chinese and hope to be certified or re-certified.

The orientation would provide an interactive sharing experience which all the educators can share with their students when they return home. It would be provided to the selected educators on a fee basis, but the department would supply staffing, materials, and program development at a cost of \$20,000 GPR annually. If this program is implemented, the department will explore the possibility in future years of operating this orientation program in conjunction with other states as a cost-sharing measure.

Total cost of this component is \$20,000 GPR annually in FY08 and FY09.

A summation of costs for reactivated and new international education projects is summarized in Table 1 below:

Table 1: Proposed GPR for International Education
2007-09 Biennium

	FY08	FY09
Reactivated Activity: Japan Teacher Seminar	\$6,000	\$6,000
New Project: China Initiative	\$20,000	\$20,000
New Project: France Exchange Projects	\$12,000	\$12,000
Total GPR Requested	\$38,000	\$38,000

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 4005 – CAREER AND EMPLOYABILITY SKILLS

101 – General program operations

s. 20.255 (1) (a)

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$125,000	\$125,000

Request/Objective

The department requests \$125,000 GPR in both FY08 and FY09 to implement the “Transforming School Counseling and Career Education” and “Web-Based Employability Skills Assessment” programs.

Background/Analysis of Need

Wisconsin’s public schools—particularly at the middle school and high school level—need to take a proactive role in encouraging students to explore well-paying, interesting career opportunities that are a good match for their interests and skills. Students need the assistance of educators who stay current with academic and economic trends to acquire a good understanding of the postsecondary training they will need to realize their career aspirations.

What previously was a proper level of exploration and planning for a career will no longer be sufficient given the highly competitive and fluid economy these students will work and compete in. Schools can help students successfully meet this challenge through professional development opportunities for educators and the use of effective web-based employability skills assessment tools.

These proposals are designed to bring schools and the aforementioned tools together. The ultimate goal is that both of the components described in this paper will empower schools to give effective guidance to students on how to realize their career goals.

Component #1: Transforming School Counseling and Career Education (Professional Development)

High school counseling does not focus enough on students who are career and technical education (CTE)-oriented.

The department requests \$50,000 GPR in each year of the biennium to fund career counseling professional development. This money will be used to cover such costs as consultants, trainers, material development and production, and participant expenses. The proposal is designed to meet the objective of getting high quality postsecondary and career counseling services to more pre-K-12 students in an equitable manner. High school counselors focus on students’ emotional problems, developmental problems, what courses to take to graduate from high school, etc. To the extent these counselors work on postsecondary education at all, the focus is largely on four-year baccalaureate universities and colleges. Roughly 25-40 percent of students are in this category, according to the department’s school counseling consultant. Students who wish to go immediately into the work world or to a two-year technical college receive very little, if any, counseling.

Therefore, it is clear that too few students have access to postsecondary and career counseling. The professional development (PD) for school counselors and CTE staff described above would build knowledge bases about CTE opportunities so effective guidance can be provided to interested students. This training will be provided through six regional training programs to make it as easy as possible for educators to attend. These programs will be established and/or supported through a

collaborative effort between the department's Student Services/Prevention and Wellness (SS/PW)-School Counseling Team; the department's Career and Technical Education Team; the Wisconsin Technical College System (WTCS); Workforce Development Areas (11 regional); selected Cooperative Educational Service Agency (CESA) offices; and local school counselors.

The need for such training is apparent. The department's school counseling consultant states that at present, the only PD sponsored by the Wisconsin School Counseling Association is its annual conference. The conference lasts two days, and sectional offerings are very limited and sometimes non-existent in the field of careers (awareness, exploration, planning, and management). The rationale for greater training for school counselors in terms of helping students assess career options include:

- The current approach of school counselors to providing career guidance to students has been called "shotgun" as well as expensive and inefficient.
- "Counselors who wish to warn students they are unprepared for college feel that they lack the authority to do so" (Rosenbaum et. Al., 1997). In other words, these counselors do not believe they have a sufficient knowledge base to properly counsel students in career planning.
- Forty percent of college-bound students believe that school has little relevance to their future careers (Rosenbaum, 1998; cf. Steinberg, 1996). School counselors trained in career planning and counseling may help to dispel this attitude.
- Counselors are too busy with other duties to provide students with resources (such as labor market information) that will help them make informed decisions regarding their future. When school counselors understand the effect of economic changes on the labor market, they can better provide guidance to students on the preparation they will need to meet their career aspirations.
- Secondary career development programs in Missouri and Utah, cited by Maddy-Bernstein in 2000, show that such programs are very effective. Students involved in these programs scored well on the ACT, took many more advanced placement courses as well as a greater number of classes in math and science, were more satisfied with school, and posted higher grades than other students who did not have the advantage of well-designed career development programs.
- Dykman, et. Al (2003) postulated that higher academic efficacy and motivation was the result in career interventions.
- Legum and Hoare (2004) studied at-risk students in middle school. They concluded that after a career intervention program was implemented in their school, maturity levels and academic achievement on their part improved.
- The Indiana Career and Postsecondary Advancement Center (2002) found that students who had a career plan by the junior year were associated with having a more rigorous curriculum and higher grades. They also had a better chance of completing at least four years of postsecondary schooling.
- Finally, the Wisconsin School Counselor Association holds an annual conference but the conference sectionals are not heavily concentrated on career development. Five percent of the sectionals were centered on career development at the 2004 and 2006 conferences. This was down to 2.5 percent at the 2005 conference.

Participants in this training will gain knowledge in the latest career and program information; obtain materials to improve their local programming; develop skills and techniques to enhance their work with students, parents, and the community. Implementation of this initiative would provide a common foundation for service delivery to all students and therefore would help close the achievement gap. It

would reform and enhance the services and programming being offered to students across Wisconsin in connection with CTE and school counseling.

Implementation of the program will be through two-year contracts with WTCS and selected CESA offices. Regional representation will be an important factor in the implementation process to ensure equitable distribution of services and opportunities. The money requested will be used to cover such costs as consultants, trainers, material development and production, and participant expenses for the six regional conferences providing the PD. It is expected that this proposal will have the support of WTCS, tech prep coordinators, CESA directors, local educational agency (LEA) directors, LEA school counselors, teachers and CTE staff, as well as the Wisconsin School Counselor Association.

Establish a connection between doing well in school now and a successful career later.

The initiative also seeks to make students aware of the relationship between solid achievement in school now and bright career opportunities in the future, and to boost students' academic success in the process. Student attendance at school often suffers from a perceived lack of purpose. Some classes may impress various students as being not clearly connected to their future practical needs. As a result, some young people tune-out. But nearly all students have aspirations for the future and are interested in developing realistic avenues through which those aspirations can be realized. By meaningfully helping more students plan postsecondary education and the start of an interesting career, it can be expected that many students will become more fully engaged in the learning process, the relationship between success in school and future opportunities will prove to be a source of positive motivation to students, student achievement levels (on tests and in coursework) will be raised, there will be more participation in CTE classes, more advanced coursework will be undertaken, and there will be higher student participation in postsecondary education.

Component #2: Web-Based Employability Skills Assessment

The department requests \$75,000 GPR in each year of the biennium for the development, validation, training, and implementation of a web-based Employability Skills Assessment (ESA). This new system would be created by the Center on Education and Work (CEW) at the University of Wisconsin. The ESA could support the state's Employability Skills Certificate program and would be aligned to the Wisconsin Career Assessment currently available to eighth and tenth grade students. The proposal for the ESA is based on the input by both state educators and business and industry with their feeling that existing commercially produced employability tests are not reflective of Wisconsin needs.

The CTE team has received requests from several school districts for a skills assessment program. The districts in turn were responding to workforce and economic development initiatives through regional networks of business, education, and economic development. In order to provide the highest degree of credibility for the ESA, it would need to be validated by representatives of business, industry, workforce development, etc. This assessment would provide information to educators regarding which skills students need to improve in order to become proficient in the SCANS Skills (U.S. Department of Labor Secretary's Commission on Achieving Necessary Skills [SCANS]) and 21st Century Skills (see <http://wdr.doleta.gov/SCANS/> and <http://www.ncrel.org/engage/skills/engage21st.pdf>). Being able to develop proficiency in coursework and in "soft skills" have important ramifications for the student, his or her potential employers, and the state. For instance, the student is far less likely to obtain a good-paying job in today's high-tech, information-based economy if he or she does not develop these proficiencies and skills. In addition, if a sizeable number of students fall short in this regard, Wisconsin may be more apt to have a workforce that does not meet the demands of employers (particularly the growing number of global firms which require their representatives to have mastered at least one language besides English). A large number of them may consider this deficiency unacceptable and consequently would locate their businesses elsewhere. Wisconsin could lose ground economically and fall behind other states that are more aggressive in this regard. This would hurt the state's economy and put additional pressure on its tax structure.

There are standards in place for “education for employment” and “guidance” as well as goals and expectations under s. 118.01 (2) (b), Wis. Stats. The ESA will be designed as a useful resource in assisting districts to implement these standards. The development and operation of this assessment would be contracted through a Request for Proposal. The Department of Workforce Development has verbally expressed interest in this proposal.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 4501 – RESTORE ARTS TO MPS

312 – Grant for elementary arts education

s. 20.255 (3) (dq) – New

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$0	\$1,000,000

Request/Objective

The department requests \$1,000,000 GPR in FY09 for a competitive grant to support arts education to elementary level schools in Milwaukee Public Schools (MPS). The grant would be awarded annually for two years to a non-profit entity or entities. The grantee would award subgrants to qualifying MPS elementary schools.

Background/Analysis of Need

MPS continues to face significant budget pressures under revenue caps that have resulted in school closings and instructional cuts. One area of instruction that has been significantly affected is arts education. For example, in June 2004, MPS reported that they expected to lose 38 art and 23 music teachers by 2006. Research has shown that arts education increases academic achievement. The loss of arts education is taking a tool away from MPS to increase the academic achievement of their students and provide a well-rounded education.

In particular, assuring that arts education opportunities exist at the elementary level can provide the greatest benefit to students to explore the arts and to create an interest in the arts that will have lasting benefits throughout their lifetime.

State regulations require that arts education be accessible to children in public schools. It could be argued that any arts restoration funds should be reserved for arts activities that go beyond state regulations. Under Chapter PI 8, Wis. Admin. Code, art instruction is to be provided to all students in grades K-6 by, or under the direction of, a licensed art teacher and is to be made available to all students in grades 7-12 by a licensed art teacher. Music instruction is to be provided to all students in grades K-6 by, or under the direction of, a licensed music teacher. Music instruction, including general music, vocal music, and instrumental music is to be made available to all students in grades 7-12 by a licensed music teacher. In addition, instruction is to be provided for music and the arts each week for the entire school term with some exceptions for the middle level.

Art and design education programs include:

- Studio arts (traditional areas of drawing, painting, printmaking, sculpture, ceramics, etc.).
- Design arts (environment design like architecture, landscape, urban planning, interior design, etc.; object design like products, furniture, transportation, fashion, appliances, etc.; information design like publications, websites, video, film, photography, etc.; and experience design like interactive exhibits, toys, games, events, theme parks, etc.).
- Visual culture (crafts, festivals, costumes, mascots, lawn decorations, etc.).
- Visual communication (maps, charts, graphs, diagrams, etc.).

The joint Wisconsin Association of School District Administrators and Wisconsin Education Association Council revenue cap survey for the 2003-04 school year found:

- Cuts were least likely in the core (tested) areas.
- 53 percent of districts reduced programs in art, music, and theater.
- 13 percent of districts reported that sections of courses of music, art, band/orchestra were eliminated due to revenue controls.
- 14 percent of districts reported that entire courses in the content area of music, art, band/orchestra were eliminated due to revenue controls.

Given that the respondents to the survey were told to not include cuts based on declining enrollment, it could be that districts are making more cuts to the arts statewide than what is reflected in the revenue cap survey.

Researchers Frances Rauscher of the University of Wisconsin and Gordon Shaw of the University of California-Irvine found that music lessons have been shown to improve a child's performance in school. After eight months of lessons, children showed a 46 percent boost in their spatial IQ. Music has been shown in other studies to positively impact brain development.

Under the site-based budgeting process used in MPS, individual principals decide how to allocate the funds allotted to their schools. MPS reports a districtwide loss of three art teachers, one music teacher, 13 health/physical education teachers, and 11 library staff from FY06 to FY07. The greatest loss in art and music was at the elementary level, which saw a loss of 7.1 staff and 7.4 staff respectively. The elementary level also saw the greatest loss in health/physical education and library staff. It can be argued that the loss of staff demonstrates that the elementary level has been hit hardest and thus should be the focus of a grant program to restore the arts.

Other recent examples of MPS' arts reductions include:

- In 2004 the MPS board trimmed \$1.3 million from a proposed \$3.5 million for the purchase of new music textbooks and sent the savings to schools for general use.
- In the FY07 proposed budget for MPS it was reported that many schools chose to reduce staff positions in the areas of art, physical education, and library.
- In an August 2, 2006 *Milwaukee Journal Sentinel* article superintendent William Andrekopoulos said, "Schools have to prioritize . . . and the choices are often between classroom teachers and specialists such as art teachers, music teachers, social workers – and librarians."
- According to Wisconsin Information Network for Successful Schools (WINSS) data:
 - MPS' average extra/co-curricular music offerings per high school dropped from 3.7 in 2002-03 to 2.4 in 2004-05. In elementary schools they dropped from 2.3 to 1.9. In the middle/junior high school level they have stayed virtually even in the same time period dropping from 4.8 to 4.7.
 - When compared to the state average, MPS has fewer average extra/co-curricular music offerings per school. In 2004-05 MPS had 2.7 offerings versus a state average of 4.7. At the high school level they had 2.4 offerings compared to 6.4 statewide and at the elementary level 1.9 compared to the state's average of 2.5.

Models exist for successful arts restoration programs. New York City has the Center for Arts Education. The center was established to restore and sustain arts education in the city's schools. It has four areas of focus:

- Partnership grants support multi-year arts partnerships between schools and other agencies/organizations.
- Parents as Arts Partners increases parental involvement and teaches families the value of arts in education.
- Leadership in Practice Grants support former partnership schools in documenting and developing successful arts education curriculum, products, and processes that can be adapted by other schools and arts organizations.
- Career Development program builds bridges among city high schools and the arts and art industries.

Proposal

The department recommends that the grant program be a vehicle for reaching students of color and English language learners. The arts programs proposed should focus on the cultural heritage of the students. For example, utilize folk or ethnic music and ensembles and indigenous world music and forms of expression, as well as drama, dance, and art that reflects the heritage of the school and community population.

The funding will support a competitive grant awarded to a non-profit entity or entities to collaborate and provide programming to qualifying elementary schools in MPS.

It is also proposed that these grants be for two years, after which MPS would need to provide its own funding in the schools to continue any new programming. Under this scenario, the grants would continue into the 2009-11 biennium, and then would sunset. The first year of the 2007-09 biennium would focus on dissemination and planning. The grant would be first awarded for the 2008-09 school year.

Statutory Language

The department is proposing statutory language related to this request. See *Restore Arts to MPS* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 4502 – PRESCHOOL-GRADE 5 PROGRAM

219 – Grants for preschool to grade 5 programs

s. 20.255 (2) (do)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$7,721,400	\$7,721,400
Less Base	\$7,353,700	\$7,353,700
Requested Change	\$367,700	\$367,700

Request/Objective

The department requests an increase of \$367,700 GPR in both FY08 and FY09 for the Preschool to Grade 5 Program (P-5). The additional funding will provide an inflationary increase to the program so the following functions, which are critical to closing the achievement gap, can continue to be performed:

- Aggressive reading programs. The P-5 schools recognize that reading is the core of the academic program.
- Maintain quality teachers (in the schools, not at WEOP) that will continue to focus on key areas that will assist in closing the achievement gap.
- Provide more staff development in schools.
- Provide more inservice opportunities for parents to become more involved in their child's education.
- Close the digital divide.

The increase, if granted, would be spread across the 38 schools that currently participate in the program ($\$367,700/38 \text{ schools} = \text{average of } \$9,676 \text{ per school}$).

Background/Analysis of Need

P-5 was created in the 1985-87 biennial budget, and began service in the 1986-87 school year. Currently 38 schools in four districts—Beloit, Kenosha, Milwaukee, and Racine—participate in P-5. The communities of which P-5 students are a part are plagued by violence, high crime, high unemployment, drug use, high family mobility rates, and unacceptably high rates of suspensions and expulsions. Over 90 percent of the children served by many of the P-5 schools are eligible for free or reduced-price meals. The conceptual basis for the program is largely embodied by two components, State grants to P-5 schools and local management, both of which are described below.

State Grants to P-5 Schools

Grants are awarded on a competitive basis, and cannot be renewed unless the school meets performance objectives jointly established by the department and the school. School leaders are told up front that they will lose funding if meaningful results are not produced. Commonly cited successes achieved by P-5 schools include improvements on evaluation measures such as:

- The Wisconsin Reading Comprehension Test.
- The Iowa Basic Skills Test.
- The P-5 writing sample assessments for second and fifth graders.
- The Wisconsin Knowledge and Concept Examinations (WKCE) in reading, writing, and mathematics for fourth graders.
- Increased parental involvement and staff development activities.
- Increased attendance rates.

Inner-city elementary schools receive grants that are used to develop innovative, supplementary educational strategies such as parental involvement activities, reduced class size, and staff development including portfolio assessment, computer, team building and multicultural training to improve student achievement. Examples include the “*Direct Instruction*” program in reading and math and the “*Success for All*” program which has been started in two Beloit schools. In addition, some P-5 schools provide wrap-around day care, child care, and health care programs. All districts have at least half-day, four-year-old kindergarten or preschool.

Local Management of P-5 Schools

Site-based management: P-5 schools are run on a “site-based management” system, meaning the schools largely decide how the grant money they receive will be spent. This is done to assure that the money can be utilized to meet local needs. P-5 schools do a needs assessment each year to determine how their grant will be utilized. The department monitors budgets to assure the local goals are achievement-oriented. In addition, the state P-5 Advisory Council oversees requests for funding and funding renewals. Generally speaking, most money is used for staff—classroom teachers, math/reading specialists, etc.

School councils: To promote parental involvement, P-5 schools must have school councils (composed of parents, teachers, principals and others from the community) in their schools and parents must be active in the school and their community. P-5 schools have home-school coordinators to assure there is meaningful communication between the home, the school, the child, and the parent (or the adult[s] in the child’s life). Parents are educated on matters such as how to help a child with his or her homework. P-5 funds can be used for a broader range of purposes than Student Achievement Guarantee in Education (SAGE) funds (e.g. more comprehensive staff development; more aggressive parental involvement activities; and wrap-around day care, child care and health care programs). P-5 is more directed to educationally-, economically-, and socially-troubled communities. Therefore, P-5 complements, rather than duplicates, SAGE.

Administrative challenges faced by many P-5 schools: SAGE schools are often seen as “pass through” opportunities for beginning teachers to gain experience and then move on to communities with a more stable environment. However, because of the barriers they must overcome, the P-5 students need the best and most veteran teachers. Some schools in P-5 need help with providing adequate salaries so there is a realistic possibility of attracting and retaining such teachers. In addition to the personnel difficulties described above, the P-5 schools also face a shortage of experienced principals.

A high level of student mobility in P-5 means many of the schools have to face the challenge of dealing with constantly changing student demographics and restructuring student curriculum often to meet emergent needs. One of the elements necessary for dealing successfully with this challenge is staff training, but these schools need money to pay for such training.

Funding

P-5 is funded with an annual categorical aid appropriation, s. 20.255 (2) (do), Wis. Stats. Annual funding levels of the P-5 program since FY96 are as follows:

Table 1. P-5 Funding History Since FY96

Fiscal Year	Budget Amount	% Increase
FY96	\$6,670,000	--
FY97	\$6,670,000	0%
FY98	\$7,003,500	5%
FY99	\$7,003,500	0%
FY00	\$7,353,700	5%
FY01	\$7,353,700	0%
FY02	\$7,353,700	0%
FY03	\$7,353,700	0%
FY04	\$7,353,700	0%
FY05	\$7,353,700	0%
FY06	\$7,353,700	0%
FY07	\$7,353,700	0%

Analysis of recent funding history: It should be noted from the table above that no increase has been given to the P-5 program, inflationary or otherwise, since FY00. It also shows that the FY07 funding is only 10.3 percent higher than it was in FY96. The "Inflation Calculator" of the U.S. Bureau of Labor Standards computes that \$8,906,460 would be needed in 2006 to have the same purchasing power as \$6,670,000 had in 1995, the year in which FY96 began. (It should be noted that \$8,906,460 is \$1,552,760 or 21.1 percent higher than the current appropriation of \$7,353,700.) The proposed funding increase of \$367,700 GPR in each year of the biennium would result in appropriation levels over the course of the 2007-09 biennium as follows:

Table 2. Proposed Funding for P-5 in FY08 and FY09

Fiscal Year	Proposed Annual Budget Amount	% Increase
FY08	\$7,721,400	5%
FY09	\$7,721,400	0%

The additional funds will likely go for the following purposes:

- Teacher salaries and benefits.
- Increasing the number of staff development opportunities.
- Drug prevention programs.
- Retaining educational assistants and paraprofessionals.
- Helping struggling learners by adding more instructional materials for math and reading.
- Retaining specialists for areas like gym, music, arts, etc.
- Retaining support staff (guidance counselors, social workers).
- Maintaining teacher ratios to 25:1.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 4503 – EXTENDED CALENDAR PILOT GRANTS TO MPS

286 – Grants to Milwaukee schools for extended calendar pilot projects
s. 20.255 (2) (dr) – New

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$0	\$1,500,000

Request/Objective

The department requests \$1,500,000 GPR in FY09 to provide grants to Milwaukee Public Schools (MPS) for extended calendar pilot projects. An extended-year calendar is where a school goes beyond the traditional 180 days and/or summer school offerings to provide additional days of classroom instruction.

Background/Analysis of Need

There is a significant achievement gap in MPS between economically disadvantaged students, students of color, and their peers. There is a body of research around the concept of “summer learning loss,” or the idea that students are not able to fully retain what they have learned in the prior school year over to the following fall semester. Two negative results can occur: first, weeks can be spent in the fall having to re-teach material that has been lost, foregoing the opportunity to learn new material; and second, if certain material is not re-taught, students may not be able to re-acquire those lessons or skills and their academic achievement will suffer.

One suggested response to this problem is to extend the school year calendar, whereby there is a shorter break rather than a traditional full summer vacation. The idea is that students will be better able to retain material during a shorter break, thereby reducing the need to re-teach, allowing time for additional new material to be taught, and increasing the academic performance of students because the summer learning loss does not hinder subsequent achievement.

In the 2006-07 school year, MPS will have 16 year-round schools. While the number of days of instruction is the same as under a traditional school calendar, there are barriers to implementing year-round schools. Thus, this request proposes a state investment in MPS into piloting extended-calendar schools, adding days to either or both the beginning and end of the year, as one strategy to help address the achievement gap.

Research points to the fact that the areas that pupils most forget are the things that they learn through repetition and practice, such as spelling words and math computation. All young people are at risk of losing math computation skills, regardless of where they are in the socioeconomic spectrum. However, when it comes to reading skills, lower income students are more negatively affected during the summer.

According to Ron Fairchild, Executive Director of the Center for Summer Learning at Johns Hopkins University in Maryland, "While middle and upper income students typically do not lose reading skills, and in some cases may experience a slight gain in reading performance over the summer, lower income kids typically experience a setback of over two months."

Long summer breaks can be similar to after-school time in that studies also show that out-of-school time is a dangerous time for unsupervised children and teens. They are more likely to use alcohol, drugs, and tobacco; engage in criminal and other high-risk behaviors; receive poor grades; and drop

out of school than those who have the opportunity to benefit from constructive activities supervised by responsible adults (Carnegie Council on Adolescent Development).

In 2004, the Governor's Task Force on Educational Excellence recommended a 10-school pilot study be conducted in high-poverty areas to determine whether an extended school year would result in improved educational outcomes.

This request will fund up to three pilot school projects in MPS for the 2008-09 school year. The funding, however, will not necessarily be split evenly among three schools. The size of the pilot schools' enrollment will determine the number of grants that can be awarded. For example, in MPS the 2004-05 cost per member was approximately \$11,300. Divided by 180 days, this equals approximately \$63/day/student. Thus, an MPS pilot school site could receive up to \$63/day per pupil in the school. The grant will fund up to 30 additional days of instruction per school. This translates into 793 pupils that could be served under the grant (30 days x \$63/day x 793 students). The department will solicit pilot project applications from MPS schools during FY08.

Statutory Language

The department is proposing statutory language related to this request. See *Extended Calendar Pilot Grants to MPS* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 4504 – ENGAGING PARTNERS FOR STUDENT SUCCESS/SERVICE LEARNING

101 – General program operations

20.255 (1) (a)

132 – Funds transferred from other state agencies; program operations

20.255 (1) (ke)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
GPR	\$165,000	\$165,000
PR-S	\$67,400	\$86,700
	1.5 FTE	1.5 FTE
Total	\$232,400	\$251,700

Request/Objective

The department requests \$165,000 GPR, \$67,400 PR-S and 1.5 FTE in FY08 and \$165,000 GPR, \$86,700 PR-S and 1.5 FTE in FY09 to implement the Engaging Partners for Student Success/Service Learning Program.

Background/Analysis of Need

Reports from Milwaukee indicate there is a disturbing number of students who are disengaged from learning and see no practical reason to be in school. It is critical that a means be developed to get these students re-engaged in their school work and to take school seriously. If they continue down the path they are on, they will not be able to enjoy the professional, social, and economic benefits of their scholastically engaged peers. Society will be denied the benefits it would reap if they had become knowledgeable in several disciplines and their minds learned how to think critically and constructively. This will be a large task, and will require that people from the community, the school, and—most especially—the student’s family develop collaborative relationships with the goal of encouraging these students to make a concerted effort to learn. Classroom instruction in service learning and field application of that instruction can be used as a means to help these students see, not only the joy of being of service to others, but also so they can grasp from first-hand observance that school learning is not purely academic—it has very practical applications as well. This proposal makes an effort to address this challenging issue in a research-based, holistic manner. It addresses, in sequential order, the importance of service learning and two organizational structures that could be developed to maximize benefits to both the service learner and the people he or she is serving.

The Proposal

Component #1: Professional Development in Service Learning and Follow-Up

Under the department’s proposal, professional development (PD) in service learning will be made available to teachers, guidance counselors, and appropriate administrators in the Milwaukee Public Schools (MPS). A collaborative effort between the department and Volunteers in Service to America (VISTA) will teach educators not only what service learning is, but also how to use it as a means to more fully engage students in the learning process. Follow-up learning opportunities, if taken advantage of, will keep educators fresh on latest developments in the service learning field.

However, the ultimate goal for the PD component of this proposal is broader. It is to intertwine PD in service learning with other initiatives identified in the New Wisconsin Promise. This will accomplish two very important ends:

- To establish service learning as an important instructional methodology to help districts meet their goals in student achievement, attendance, civic engagement—across content areas.
- To create a structure for high-quality PD which focuses on established priorities and integrated learning which could be customized to meet local district needs.

The overall concept is to create a cross-agency team that will represent each division in conducting district-level professional development which strategically moves the district through meaningful and lasting change. Service learning forms the core of proven instructional strategy which can be woven throughout the curriculum. This concept was discussed with a group of administrators and higher education staff and received strong support. Under the department's proposal, ten cost-share VISTA members will provide the training to the MPS personnel described above. These VISTAs will base the training on research in service learning, its benefits, and how those benefits can be achieved.

Follow-up in the field: VISTAs will also provide follow-up services to make sure that the material taught to educators has been properly assimilated and is being put to its intended practical use. Remedial training will be provided by VISTA if needed. Each of the ten VISTA personnel involved in the PD component will be compensated through a cost-share plan with VISTA. The department's share will be \$10,000 per year per instructor times ten instructors = \$100,000 GPR in both FY08 and FY09.

Electronic follow-up: In addition, the department/VISTA service learning partnership will offer WisLine video conferencing opportunities on topics related to service learning at least three times a year. This will ensure that interested educators continually have access to state-of-the-art training in service learning. It will cost \$50,000 GPR in both FY08 and in FY09. The follow-up offered through this program—both in the remedial training by VISTA and through the WisLine—represents best practices in PD and instructional strategies in the professional judgment of the department's consultants.

Other features of the department's proposed PD program:

- Development of logical and sequential Chapter PI 34, Wis. Admin. Code, educator professional development plans which are geared toward becoming proficient in supporting the New Wisconsin Promise.
- Development of action research which will evaluate details of professional development programs that are implemented. The final result will be statistically-defensible, results-oriented data which should clearly show how well these programs are meeting their stated objectives.
- Establish a network of support for districts in implementing key department initiatives. Network activities will include assisting in creating new resources to share with parents and other educators, offer feedback and advice to other practitioners, maintain active dialog within and between participating districts, regional meetings, and web-based support.
- Establish web-based support environment for educators to share and receive help on program implementation. Web-based support will include resource pages to be developed and maintained on the department's website, WisLine web sessions offered through the Learn and Serve grant, and e-mail support.

For this component of the Engaging Partners program, the department requests:

- \$100,000 GPR in both FY08 and FY09 to fund the state share of ten cost-share VISTA members (ten VISTA members @ \$10,000 each).
- \$50,000 GPR in both FY08 and FY09 to fund WisLine video and other related delivery expenses.

Component #2: Service Learning

Service learning has been defined as:

A philosophy, pedagogy, and model for community development that integrates community service with intentional academic or personal development goals to enhance cognitive and social development, teach civic responsibility, and strengthen communities. Service learning can be course-based (service learning) or outside the curriculum (co-curricular service learning).²³

Service learning is at the heart of this proposal: The conceptual and philosophical underpinnings of the proposal—what gives it meaning and direction—are firmly rooted in service learning. Professional Development (Component #1) is included because, without it, educators would not have a clear understanding of what service learning is. Family-School-Community Partnerships (Component #3) and Family Service Corps (Component #4) are part of the package because they build upon what is accomplished through service learning.

Effect of service learning on disengaged students: According to the professional judgment of the department's consultants, when students who are disengaged from the learning process become involved in service learning, they often begin to soften their attitude that school is a waste of time because they see first-hand the impact educational achievement has on the day-to-day lives of ordinary citizens. It soon becomes obvious to them that higher educational attainment helps people solve problems as well as take full advantage of good opportunities. When this happens, under-achieving students begin to appreciate the practical (not just the conceptual) value of applying themselves to their school work. In short, service learning often helps make students aware of the relationship between school success and making decisions that result in a productive, rewarding, happy life. Student ownership of the learning process has been shown to increase student engagement and academic achievement, according to the department.

Service learning and the achievement gap: Indeed, among other things, Peter C. Scales, Ph. D. and Eugene C. Roehlkepartain have found that service learning appears to reduce the achievement gap. Some highlights of what they noted:

- Just one hour of participation in service learning per week by lower income students led to “significant reduction in the gap in achievement-related assets.”
- Involvement in service learning “appears to contribute to lessening the achievement gap, with low-income students who serve doing better academically than students who do not serve.”
- Service learning—partly through its effects on students’ sense of community and positive school climate—may especially help to increase the engagement and motivation of disadvantaged students.
- While “the evidence is still limited and less than ideal” (e.g. evidence they have gathered and presented is correlational rather than longitudinal), there still is “mounting evidence” that “suggests the promising conclusion that service learning programs may contribute to the key achievement goals of American education today: higher achievement and equity of achievement across student groups.”²⁴

²³ National Youth Leadership Council TM, 2005: G2G: Growing to Greatness: The State of Service-Learning Project, p. 116.

²⁴ Peter C. Scales, Ph.D., and Eugene C. Roehlkepartain, Search Institute, Minneapolis, MN: “Can Service-Learning Help Reduce the Achievement Gap” (“New Research Points Toward the Potential of Service-Learning for Low-Income Students,” as printed in National Youth Leadership Council TM, 2005: G2G: *Growing to Greatness: The State of Service-Learning Project*, pp. 10-19.

Service learning promotes high ethical standards: Another benefit of service learning noted by Marybeth Neal, Ph.D., and Barbara Holland, Ph.D., of the National Service-Learning Clearinghouse is that: "Because they address genuine needs, service learning projects have a sense of authenticity that helps encourage peers to take their service work seriously, and thus adhere to a high quality and moral standards."²⁵

The Compact for Learning and Citizenship (referred to below as "the compact"), a project of the Education Commission of the States, notes that service learning is concerned with what Vito Perrone, Director of the Teacher Education Program, Harvard Graduate School of Education calls "powerful purposes" which is "getting kids into the world." It connects academic skills, knowledge, and concepts with being of service to one's school and community. The compact asserts that service learning "is an integral part of school improvement" and makes important contributions to bettering schools.²⁶

According to the compact, service learning, among other things:

- "Benefits all students." Service learning is effective pedagogy. It is not specific to one particular curriculum. Instead, it deepens the curriculum. Active teaching techniques have been shown to be most beneficial for students, with service learning offering an additional benefit over other methodologies.
- "Promotes equity" because it facilitates "heterogeneous grouping" in terms of strengths, abilities, backgrounds, ethnic groups, etc.
- "Develops critical thinking skills." Students reflect on their service experiences. In doing so, they develop critical thinking and their analytical ability is improved.
- "Makes real-world issues part of education." It presents issues to students "that cannot be neatly defined or solved" and encourages development of problem-solving skills.
- "Develops workplace skills" through development of critical thinking and problem solving skills, ability to work on teams, etc.

For economic reasons, Milwaukee (and by logical extension, all of Wisconsin) needs scholars. It is difficult to imagine Milwaukee succeeding in developing the economic strength already enjoyed by Chicago and the Twin Cities (as well as by the states of Illinois and Minnesota, whose economies benefit from the strengths of their respective largest metropolitan areas) without it producing good learners, critical thinkers, adept analysts, and service-oriented citizens. Wisconsin lags behind both Illinois and Minnesota (and many other states) in both supply and demand for baccalaureates.²⁷ (Since many employers look for baccalaureates when making site decisions it is logical that demand will be depressed if there is not sufficient supply.) Concerns have been expressed that both Chicago and the Twin Cities are the engines that push their states' economies, but Milwaukee does not do the same for Wisconsin.

Getting disengaged students re-engaged in learning offers Milwaukee an opportunity to boost its base of baccalaureates and therefore its economic health. If service learning can turn these young men and women away from dropping out of high school and toward college matriculation and graduation, its

²⁵ Marybeth Neal, Ph. D., and Barbara Holland, Ph.D., "Symbiosis: When Service-Learning Meets the Work of Howard Gardner," as printed in National Youth Leadership Council TM, 2005: *G2G: Growing to Greatness: The State of Service-Learning Project*, pp. 29-33.

²⁶ "Service-Learning: Every Child a Citizen," a paper published by the Compact for Learning and Citizenship, Education Commission of the States (no date listed).

²⁷ "Expanding Access to Baccalaureate Education: Report of the Joint UWS/WTCS Committee on Baccalaureate Education", p. 2 (citing U.S. Census Bureau as the original source).

support by the state and the community should be considered very seriously. Service learning may help not only disengaged students but the entire city as well. It is one of several small but significant steps Milwaukee could take to improve its financial fortunes and become the economic powerhouse it has the potential to be. (Because of Milwaukee's great impact on the state's economy, it would help the rest of Wisconsin as well.) This is a classic example of how helping a group of disadvantaged people ends up having the practical effect of helping everyone.

The Service learning component is discussed here because the other parts of the proposal could not be fully understood without knowing about service learning. However, the department is not requesting funds specifically dedicated to this component.

Component #3: Family-School-Community Partnerships (FSCPs)

Service learning is improved by Family-School-Community Partnerships (FSCP): FSCP improve service learning by bringing two other important groups (community leaders and family members) to join schools in utilizing service learning as a means to keep students focused on their studies. The rationale behind the partnerships is that, while it may be difficult for one institution to successfully encourage young people to take study seriously, perhaps these three critical institutions (out of which the family is considered the most important) may be able to do so.

Stated goals of FSCPs are to:

- Develop and expand ongoing collaborative partnerships between schools and the families and communities they serve so the combined strength of the three institutions is preserved and enhanced. In addition, partnerships stay focused on engaging students in learning rather than drifting off course. Because of their training in starting and maintaining dialogues between community stakeholders, VISTA members will be important to this effort.
- Encourage parents to be involved in their sons'/daughters' education at home. Support parent efforts at volunteerism as a form of adult service learning, so parent and child can learn together and have discussions on what they learned. Encourage and perhaps even facilitate parental discussions with teachers and administrators.
- Create and train an action team for partnerships which will work to design, start, and sustain the partnerships. Because of their collaborative skills, VISTAs will be again be very important in achieving this goal. If people involved in partnerships do not have a good understanding of what service learning is and how affected students and the community can benefit from it, it will be harder for schools to sustain service learning programs and harder for initially fragile partnerships described above to survive and meet their full potential.
- Framework for FSCPs is research based: It should be noted that the Wisconsin framework for FSCPs was developed on the basis of many years of research, particularly that of Dr. Joyce L. Epstein, Director of the National Network of Partnership Schools and the Center on School, Family, and Community Partnerships. She is also a principal research scientist and research professor of sociology at Johns Hopkins University. Dr. Epstein has authored over 100 publications about the development of partnerships that are similar to Wisconsin's FSCPs, and has served on the editorial boards and advisory panels that are concerned about issues relating to school reform and parent involvement. She has received awards for her work on family-school partnerships.

The department already has funding through the Corporation for National and Community Service grant to support a full-time education specialist and a half-time office associate. However, although this is a federal grant, funding is transferred to the department from the Department of Administration (Wisconsin National and Community Service Board) into a PR-S appropriation. Therefore, the department requests 1.5 PR-S FTE position authority so the positions can be established and filled. These positions deal with issues related to coordination between workers and general office

management. Thus, the positions are critical because, without them, workers may duplicate each other's efforts and operations may become inefficient. Moreover, it is important that efforts be coordinated given that the mission of bringing collaborative partners to the table is time-consuming.

Component #4: Family Service Corps (FSC)

Service learning further improved by FSC: The establishment of Family Service Corps (FSC) groups provides still more structure to service learning efforts. FSCs have efficient systems in place for the widespread collection and distribution of food, clothing, information, etc. VISTAs in five Milwaukee and department VISTA school sites will establish a corps of parents/family members to encourage family-school-community partnerships by teaching other parents/families about activities that contribute to children's learning and the community. The FSC at each school, in coordination with the VISTA, will design and implement a service learning project that identifies a need in the school or community, promotes children's learning and/or helps close the achievement gap, involves family members in all aspects of the project from beginning to end, and offers parents and family members opportunities to gain knowledge and skills that help them nurture children's social and academic growth. VISTAs would build the school's capacity for involving families as partners in children's learning by informing school staff and teachers about the need for family-school-community partnerships; help design a FSC project that offers children and families learning opportunities and fills a school/community need; and work with department staff to carry out a project and build a school/community infrastructure that welcomes, supports, and recognizes family involvement in children's learning.

Purpose of family service corps: At least five of the Milwaukee VISTAs will develop FSC as part of their family-school-community partnership projects. FSCs will help schools to build their capacity to build family and school partnerships which have as their purpose improving student achievement and fostering civic engagement.

Greater organizational level required because of higher level of service being provided: In most instances, the required level of organization is beyond the ability of informal alliances to provide on a sustained basis. It is for this reason that FSCs are established. They not only provide help, but they do it in an organized and systematic fashion. VISTA members are critical to this effort, since they are trained in organizing operations such as FSCs and in making sure they provide intended services in an organized and cost-effective manner.²⁸

The FSC sites will collaborate with community-based organizations to develop partnership action plans that focus on creating and fostering a school culture that involves not only students and educators but also families and community members. It is important to have such plans in place early in the process because partners need to know right from the beginning of the need to work cooperatively together.

Involvement in meaningful community service at a young age: Selected parents will learn how to serve as teachers and caregivers to involve their children in regular, meaningful community service that is developmentally appropriate for their age group. Young people are most likely to become involved in their community as adults if they start their involvement before they turn 14.

Outcomes: The department lists the following as proposed outcomes for the Milwaukee FSC project. Because of the scope and number of the services mentioned here, it is clear that delivering these services requires an organized entity such as a FSC:

- Establishing the FSC so schools have the capacity to build family and community partnerships.
- Inventory school/community successful practices regarding partnerships and civic engagement.

²⁸ Website of the National Network of Partnership Schools, www.csos.jhu.edu/p2000/sixtypes.htm. Website consulted August 15, 2006 and August 16, 2006 for the purpose of completing this paper.

- Availability of funding opportunities to implement this initiative's practices and programs.
- Coordination of services and information available from community-based organizations, including the development of a web-based clearinghouse that includes service opportunities.
- Opportunities for parents and other caregivers to gain skills they need to help the social and academic development of their children and to learn about academic standards.

State FSC governance and accountability: General state oversight for FSCs will be provided by the State Superintendent's Parent Leadership Corps. It will coordinate a review of policies and practices across departments of state government that support parental education and participation, and will make recommendations.

For this component, the department requests \$15,000 GPR in both FY08 and FY09 for training and travel (\$3,000 per site x 5 sites).

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 4505 – RESTORE DRIVER EDUCATION AID FOR LOW-INCOME PUPILS

266 – Driver education; local assistance
s. 20.255 (2) (em)

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$100,000	\$100,000

Request/Objective

The department requests \$100,000 GPR in both FY08 and FY09 to create a new categorical aid program to provide \$150 per pupil for Milwaukee Public Schools (MPS) students taking an approved driver education (DE) course. To qualify for the aid, eligible students' families or guardians would need to be free or reduced-price lunch (FRL) income-eligible, and MPS would reduce their DE student fee by \$150.

Background/Analysis of Need

Wisconsin requires the satisfactory completion of a state-approved DE course (classroom and laboratory) for persons under 18 years of age electing to be licensed after attaining the age of 16. As of FY05, there was no longer a GPR-funded \$100 per pupil state DE categorical aid reimbursement program in Wisconsin. The last state categorical aid payments to districts were made in March of 2004.

Some have argued that eliminating state aid for the program has made it more difficult for some pupils to afford DE, particularly from low-income families in Milwaukee. School districts must subsidize the cost of their programs with fees from students or from other state aid or property tax revenue. Pupils must now typically pay the full cost of the DE course, which averages \$250-350, whether it is continued to be offered by the district or through private providers.

New state DE aids for low-income MPS students may help offset the loss of the original categorical aid program and reduce the cost to these students and/or their families. In addition, students who are not able to pay for the DE course may end up driving without a license, resulting in a greater penalty should they be caught or charged with a vehicle violation.

The DE state grant was established to promote a uniformly effective program for high school, county children with disabilities education board (CCDEB), and technical college pupils. School boards, CCDEBs, and the Technical College System Board are permitted to establish and collect reasonable fees for their DE program (or part of a program) that is neither required for nor credited toward graduation.

In the years leading up to the elimination of the DE categorical aid in FY05, the appropriation had been experiencing reduced levels of eligible total claims, and appropriation lapse amounts were increasing. This was due to fewer school districts choosing to offer DE courses, leaving that business to the private sector. In 2002-03, 98 districts chose not to offer the program.

Private companies frequently charge higher fees than school districts for DE courses. Some have also noted that private companies might not offer comparable courses, since high school DE courses are usually longer in duration and educational requirements for state-certified teachers are more extensive than for private teachers. It is also possible that private providers would not be available statewide.

Although state categorical aids have been eliminated, the department continues to administer public school DE programs as it has in the past. Districts that are planning to continue offering DE programs will continue to be required to submit, and have on file with the department, an approved Program Approval Application (PI 1709). Approved and eligible districts may also continue to apply for, and issue, DPI Student Course Completion Certificates.

Districts that do not have a DPI-approved program application on file are not authorized to issue any DPI student course completion certificates.

Driver Education in MPS

In 2003-04, MPS received \$116,900 in DE categorical aid. MPS continues to offer DE courses. According to MPS, with fees collected from students, the program is revenue neutral for the district and is budgeted at \$246,100 for FY07. MPS charged \$175 for the course in FY04, the last year of state DE aid. In FY06, the fee was \$275, reflecting the loss of state aid. In the 2005-06 school year, just 381 students took classroom and behind-the-wheel courses in MPS, down from 946 in 2003-04.

Over the years, especially since MPS moved to site-based management, many MPS high schools have dropped DE classes. Currently, it is believed that only three high schools offer DE classroom at some time during the normal school year. One of the three offers DE classroom each hour of the regular school day. The other two schools offer classroom at different times during the year (one during a semester interim).

The MPS Recreation Department does offer classroom instruction during evenings and possibly on some Saturdays. What is not known is how many students took DE classes through private vendors, nor how many more students would have taken a DE course through MPS had the student fee been offset by state categorical aid for some or all eligible students.

Anecdotal evidence suggests that Milwaukee County traffic court cases involving young drivers without licenses are growing. One possible evaluation component for this new aid program would be whether there is a reduction in the number of young drivers charged in traffic court for driving without a license.

Proposal

To target the proposed categorical aid, MPS would report to the department only those students who took a DE class and whose family or guardian was FRL-eligible. MPS would receive \$150 per eligible student, up to 666 students annually ($\$150 \times 666 = \$99,900$). MPS' overall 2004-05 high school FRL rate was approximately 67percent. In exchange for the additional aid, MPS would be required to reduce the eligible students' fee for the DE class by \$150.

If more students were eligible for the aid than budgeted, the per pupil rate would be prorated. In addition, the department proposes to make the grant program sunset on June 30, 2011. This would allow for a review of three years of the program (FY08-FY10) to assess its effectiveness prior to submission of the department's 2011-13 biennial budget request in 2010. If the program proves effective, the department could request elimination of the sunset.

Note that the driver education appropriation, s. 20.255 (2) (em), Wis. Stats., is currently a zero dollar appropriation. Therefore, per notification of a technical problem by the Department of Administration on September 12, 2006, it does not appear in the department's base B-2 forms.

Statutory Language

The department is proposing statutory language related to this request. See *Restore Driver Education Aid for Low-Income Pupils* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 5001 – TRANSPORTATION AID

210 – Aid for pupil transportation s. 20.255 (2) (cr)

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$0	\$0

Request/Objective

There are two components to this request:

- Increase the reimbursement rate for pupils transported over 12 miles from \$180 to \$220 per pupil for both years of the 2007-09 biennium. No additional GPR funds are needed; the base appropriation is projected to be sufficient.
- Request statutory language similar to that in 2005 Assembly Bill 726 which allows schools to claim refunds of the motor vehicle fuel tax.

Background/Analysis of Need

Geographically large rural districts that transport pupils significant distances (over 12 miles) have been most hard hit by increasing transportation costs due to the longer bus routes they often incur. Individual district transportation costs vary widely among districts, from little more than \$50 per pupil in some districts (e.g. South Milwaukee) to over \$1,000 per pupil in others (e.g. South Shore).

Transportation costs have increased significantly over the past 20-plus years (labor, maintenance, insurance, fuel, etc.) and have particularly increased during the past 12 months as a result of spikes in fuel costs.

While the state increased pupil transportation aid in the last biennial budget, it can be argued that districts transporting pupils longer distances still need additional assistance as the department's recommendation two years ago in this area was not fully realized in the biennial budget process.

Increase in Transportation Aid Rates

Before the 2005-07 biennial budget, state pupil transportation categorical aid had not been increased since 1990-91. Fortunately, the Governor and Legislature, based on the department's budget request, agreed to increase pupil transportation aid by \$3,200,000 in FY06 and by \$9,550,000 in FY07. In FY07, the pupil transportation aid appropriation will total \$27,292,500 GPR.

Similarly, before the 2005-07 biennial budget, state pupil transportation categorical aid had been based upon a flat annual amount per transported student that had been unchanged since 1980-81. Again, the Governor and Legislature agreed with much of the department's budget proposal to increase the rates of reimbursement, especially to school districts that transport their pupils more than eight miles each way to school each day. However, the department had recommended a per pupil 12-plus mile rate of \$200, while \$180 was the final amount provided.

Under current law, school districts are required to provide transportation services to public and private school students enrolled in regular education programs if the student resides more than two miles from the nearest public school they are entitled to attend.

State pupil transportation categorical aid is based upon a flat annual amount per transported student that was changed in the 2005-07 biennial budget. Payments are based upon the distance a student travels to school from home (see table below):

Distance Traveled (one way)	FY05 Rate Per Pupil (Full Year)	FY07 Rate Per Pupil (full year)	Proposed Rate Per Pupil 2007-09
0-2 miles (hazard areas)	\$12	\$15	\$15
2-5	\$30	\$35	\$35
5-8	\$45	\$55	\$55
8-12	\$60	\$110	\$110
12-plus miles	\$68-85	\$180	\$220

If the per pupil rate for 12-plus miles was increased to \$220, to the extent new state aid would cover costs currently incurred under revenue limits, districts would have funds “freed up” to use for other purposes (i.e. classroom).

During the 2005-06 school year, 419 (out of 426) districts received state aid for transporting 536,827 public school pupils and 45,513 private school pupils during the 2004-05 school year.

Using the state’s criteria for providing pupil transportation aid, state funding was prorated at roughly 97.6 percent of allowable transportation aid claims for 2005-06 (claims totaled \$21.5 million). It is estimated that as a result of the significant increase in state pupil transportation aid for FY07, this appropriation will be fully-funded for the first time in many years.

In addition, it is projected that the current transportation aid appropriation can absorb the estimated \$900,000 additional annual cost of the proposed increase to \$220 per pupil in both years of the next biennium.

Nonetheless, it is estimated that total school district transportation costs for transporting students to and from school (not including co- and extra-curricular transportation or transportation for children with disabilities) were approximately \$259.9 million in 2004-05. Thus, it could be argued state pupil transportation aid reimburses only roughly 10 percent of school district’s actual aidable transportation costs, though such costs are eligible to be aided through the state general equalization aid formula.

Recent significant increases in fuel costs have affected many areas of the nation’s economy, both for businesses and consumers. School districts are no exception to these rising costs and have statutory requirements to transport all eligible public and private school children who reside within their boundaries. The federal government estimates that the increase in the retail cost of gasoline and diesel fuel between January 2005 and January 2007 will be 28.4 percent and 28 percent, respectively.

Motor Fuel Tax Refund

In addition to providing additional direct transportation aid, the department also proposes a motor vehicle fuel tax refund for schools, similar to one contained in 2005 Assembly Bill 726. The refunds would also apply to a person/company that transports students to/from school activities under a contract with a school district.

AB 726 was introduced in October 2005 by Representative Ballweg (R). The department registered in support of the bill. The bill had a public hearing in November, and was recommended for passage as amended by the Committee on Urban and Local Affairs (ayes 8, noes 0). The bill was referred to the Joint Committee on Finance, but was not acted upon and died at the end of the 2005 legislative session.

The department estimated the fiscal effect of the bill, meaning fuel tax rebates, at approximately \$2 million annually. However, this estimate does not include the effect on motor fuel taxes paid by

companies or municipal bus services that are under contract with school districts (including Madison and Milwaukee) to transport pupils. The department does not have data to estimate the amount of motor fuel purchased by the contracted services.

Other states that have motor vehicle fuel rebate programs for schools include Iowa, Ohio, Michigan, and Kansas (possibly others).

Statutory Language

The department is proposing statutory language related to this request. See *Transportation Aid* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 5002 – SPARSITY AID FOR SMALL/RURAL DISTRICTS

272 – Aid for small/rural districts

s. 20.255 (2)(bj) – New

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$0	\$26,462,400

Request/Objective

The department requests \$26,462,400 GPR in FY09 to create a new statewide, categorical aid program for small, rural districts that meet certain criteria and provide them with additional funding to be used for locally-determined purposes.

Background/Analysis of Need

Many of the state's small, rural districts face a similar set of issues that include a lack of economies of scale, declining enrollment, rapidly rising property values, low median income, higher transportation costs, and large geographic boundaries. While certain specific district situations have been highlighted recently (i.e. Florence School District), many of the state's small, rural districts face more challenging circumstances each year. Further, a greater percentage of rural districts (as opposed to urban or suburban) are experiencing declining enrollment, which has further exacerbated issues related to their size and ability to maintain their core educational programs.

Some data indicate districts with the lowest student density, or students per square mile, are among the state's lowest wealth districts in terms of average income. These districts have higher poverty rates, higher transportation costs, and in some cases have high property values that result in the district receiving lower levels of state aid due to the districts' property "wealth" as measured by the state school aid formula. Further, some educational research asserts that some state and federally required programs are often more costly for small, rural districts to operate or implement due to lower enrollments in programs that require teachers and staff with specific skills.

Research from 2000 indicates that roughly 30 states incorporate a "sparsity" factor into their state school aid formula and/or provide direct assistance to small, rural districts. Between 1997 and 2002, 68 percent of Wisconsin's rural districts (as defined by the Institute for Wisconsin's Future [IWF]) experienced declining enrollment, compared to 56 percent of the state's urban districts (as defined by IWF) and 38 percent of its suburban districts (as defined by IWF).

Currently, there is one state categorical aid program specifically designated to assist a small, rural district. The supplemental categorical aid program, which was created in 1999-00, provides \$125,000 GPR annually to the Laona School District as it is the only district that meets the statutory criteria (under 500 students, over 200 square miles, and 80 percent of property in district is tax-exempt) to receive this aid.

This proposal would establish the following eligibility criteria: (1) district enrollment of 2000 or less; (2) less than 15 students per square mile; and (3) a district free or reduced-price lunch (FRL) eligibility of at least 20 percent. For those districts that qualify, per pupil aid would be \$300 for districts with FRL above 40 percent and \$150 for districts with FRL between 20 percent and 40 percent. Funds could be used for any purpose. Using 2005-06 data, approximately 185 districts would qualify for the aid. The actual districts eligible in FY09, however, cannot be determined as 2007-08 data will be used to calculate the Sparsity Aid grants.

In addition, the department will require that eligible districts would have to report back to their local communities on the use of these funds each year at their annual meeting (if applicable), as well as to the department. To the extent new state aid would assist in addressing certain costs currently incurred under revenue limits, districts would have funds “freed up” to use for other purposes (i.e. classroom).

Statutory Language

The department is proposing statutory language related to this request. See *Sparsity Aid for Small/Rural Districts* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 5003 – DECLINING ENROLLMENT REVENUE LIMIT EXEMPTIONS

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$0	\$0

Request/Objective

The department requests two statutory language changes related to revenue limit calculations: (1) Provide that all districts receive at least their prior year base revenue limit, even if their enrollment decline along with their inflationary adjustment and low revenue ceiling increase (if applicable) are less than their base; and (2) Increase the current 75 percent declining enrollment provision to a 100 percent, or full, hold harmless provision on a non-recurring basis.

Background/Analysis of Need

Revenue limits were imposed on school districts beginning in 1993-94 and have now been in place for 14 years. While many districts have made difficult fiscal decisions under revenue limits, there is near consensus that declining enrollment districts are in the most challenging situation as some face the possibility of eliminating core educational programs, increasing class sizes, increasing (or imposing) fees, resulting in fewer services and programs being made available to children who reside in such districts.

Over 60 percent of the state's school districts are currently experiencing declining enrollment, which in many cases has resulted in reductions to their existing programs. While the current 75 percent declining enrollment exemption under revenue limits (first effective in 1998-99) provides some temporary assistance each year, it is arguably not enough.

While it is commonly accepted that declining enrollment districts are numerous throughout northern and southwestern Wisconsin, often have fewer than 1,000 pupils, and are frequently rural, these conditions are not always met. Declining enrollment districts exist in all areas of the state, regardless of their size, property wealth, and level of expenditures per pupil.

A review of 2005-06 equalization aid data indicates the following:

- 12 of the state's 20 largest districts (60 percent) were in declining enrollment.
- 16 of the state's 25 most property wealthy districts (64 percent) experienced declining enrollment (using property value per pupil to measure property wealth).
- 36 of the state's 50 highest spending districts (72 percent) were in declining enrollment (using shared cost per pupil to measure spending).

While the aggregate number of districts experiencing declining enrollment may soon level off or even decline slightly, this is not an issue that will disappear, and could well be the most significant factor in determining a district's future viability. The table below shows the recent trend in districts with declining enrollment:

Fiscal Year	# of Districts in Declining Enrollment for Revenue Limit Purposes
2001-02	215
2002-03	233
2003-04	250
2004-05	266
2005-06	268
2006-07	255-265

Under current law, school districts calculate their three-year rolling enrollment average for revenue limit purposes based on the average of a school district's membership count taken on the third Friday in September for the current and two preceding years. That figure is compared against the prior three-year rolling average to determine if the district qualifies for the current allowable declining enrollment exemption. If the district's enrollment is declining, it is allowed, for that year only, to count 75 percent of the difference between the current three-year average and the prior three-year average enrollment and multiply that figure times its revenue limit per pupil. The district may not keep the revenue limit authority it generates in that year for future years.

EXAMPLE

Hypothetical District

Fiscal Year	Membership	Three Year Average	Current Law-75% Hold Harmless
2003-04	100	N/A	
2004-05	98	N/A	
2005-06	96	98	
2006-07	88	94	97

75 percent hold harmless calculation

Take 2005-06 (prior year) three-year average	98
Less 2006-07 (current year) three-year average	<u>94</u>
Equals actual membership decline	4

Multiply actual membership decline by 75 percent for hold harmless figure $4 \times 75\% = 3$
Add hold harmless figure to current year average for new membership $94 + 3 = 97$

Actual \$ value of current law exemption:

3 FTE pupils \times \$9,000 (revenue limit per pupil) = \$27,000 in additional revenue limit authority for 2006-07 only.

In 2005-06, there were nearly 50 districts (all of which had declining enrollment) that had a lower initial revenue limit than their base revenue limit, even after receiving their statutory per pupil adjustment and low revenue ceiling increase. These are districts that are arguably in the most dire need of assistance, due to their often significant declines in enrollment under revenue caps. Many of these districts are located in rural areas throughout northern and southwestern Wisconsin, including districts such as Florence, South Shore, Butternut, Park Falls, River Ridge, and LaFarge. While an across-the-board proposal that would help all districts would also benefit these districts, it can be argued there should be some additional assistance provided to these types of districts.

Proposals

1. All districts receive at least their base total revenue limit, even if their enrollment decline along with their inflationary adjustment and low revenue ceiling increase (if applicable) are less than their base. The proposal would (compared to current law):
 - Provide roughly \$2-3 million in additional revenue limit authority statewide annually (above the \$40-45 million now allowed on a non-recurring basis).
 - Benefit the 40-50 most severely declining enrollment districts, but not impact increasing districts.

Local Fiscal Impact -

Would increase overall statewide revenue limit authority, above current law figures, by \$2-3 million in FY08 and an additional \$2-3 million in FY09.

State Fiscal Impact -

While increasing revenue limit authority for school districts no longer has a direct impact on state funding, if it is assumed the state would continue to provide resources to cover two-thirds of school district property taxes, state funding related to this option alone would need to be increased by \$1-2 million in FY08 and an additional \$1-2 million in FY09.

2. Increase the current 75 percent declining enrollment provision to a 100 percent, or full, hold harmless provision on a non-recurring basis. The proposal would (compared to current law):
 - Provide roughly \$15-18 million in additional revenue limit authority statewide annually (above the \$40-45 million now allowed on a non-recurring basis).
 - Benefit all declining enrollment districts, regardless of the size of their membership decline.

Local Fiscal Impact -

Would increase overall statewide revenue limit authority, above current law figures, by \$15-18 million in FY08 and an additional \$15-18 million in FY09.

State Fiscal Impact -

If it is assumed the state would continue to provide resources to cover two-thirds of school district property taxes, state funding related to this option alone would need to be increased by \$10-12 million in FY08 and an additional \$10-12 million in FY09.

The fiscal effect of both proposals would result in school districts receiving roughly \$17-21 million in additional revenue limit authority annually during the 2007-09 biennium. As noted above, while increasing revenue limit authority for school districts no longer has a direct impact on state funding, if it is assumed the state would continue to provide resources to cover two-thirds of school district property taxes, state funding related to these proposals would need to be increased by \$11-14 million in FY08 and an additional \$11-14 million in FY09. These costs are built into the department's General Equalization Aids request—see DIN 7501.

Statutory Language

The department is proposing statutory language related to this request. See *Declining Enrollment Revenue Limit Exemptions* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 5501 – BADGERLINK

360 – Periodical and reference information databases

s. 20.255 (3) (q)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Funding	\$2,519,600	\$2,568,900
Less Base	\$2,030,500	\$2,030,500
Requested Change	\$489,100	\$538,400

Request/Objective

The department requests an additional \$46,200 SEG in FY08 and \$95,500 SEG in FY09 to maintain the current level of services through BadgerLink. This represents a 1.5 percent increase in FY08 and 2.4 percent in FY09 (over FY08).

The department also requests \$442,800 SEG annually in both FY08 and FY09 for the addition of one or more encyclopedias in BadgerLink for users of all ages and/or materials to assist pupils in completing classroom assignments.

Costs to continue the BadgerLink contract are projected to increase over the 2007-09 biennium based on five-year prices submitted during the 2003-04 bid process. In addition, there is no encyclopedia programming currently available through BadgerLink, creating a hole in the information that is available to pupils in completing classroom assignments.

Background/Analysis of Need

BadgerLink is a project with the goal of providing increased access to information resources for Wisconsin residents in cooperation with the state's public, school, academic, and special libraries. The department has provided access to more than 3,500 full-text magazines, newspapers, and other reference materials through BadgerLink since July 1998. Two vendors currently provide services: Elton B. Stephens Company (EBSCO) and ProQuest.

This project was the first priority recommended by the participants of the Wisconsin Technology Conference held in February 1998.

In 1998, the Division for Libraries, Technology and Community Learning (DLTCL) used federal Library Services and Technology Act (LSTA) funding for a demonstration project providing public, school, academic, and special libraries in Wisconsin with access to full-text database services through a statewide contract.

In its 1999-2001 biennial budget request, the department asked for GPR funding to make the program permanent. The Joint Committee on Finance approved \$836,000 SEG (from the Universal Service Fund [USF]) in FY00 and \$1,700,000 SEG in FY01 for BadgerLink.

The 2005-2007 biennial budget provided \$49,000 SEG in FY06 and \$87,000 SEG in FY07 from the USF to maintain BadgerLink services.

Through statewide contracts, BadgerLink provides access to more than 700 newspapers and more than 11,000 magazines, photographs, maps, book reviews, and reference books. In addition, Thomson Gale's LitFinder provides access to full-text poems, essays, speeches, and plays and

TeachingBooks.net provides access to information about children's literature and authors. The public has used this service extensively. It is estimated that BadgerLink users will conduct more than 14 million searches in 2006.

Statewide contracts provide cost savings. Local library staff do not have to review vendor services and bids, negotiate with the vendor, pay invoices, monitor vendor performance, and arrange for training.

As part of the department's strategic Information Technology (IT) Plan, BadgerLink contributes to IT directions by positioning technology and data as agency resources rather than specific program resources, and creates flexible, easy access to data and other information for the staff and public.

Other benefits of Badgerlink include:

- Specialized resources like the African-American Bibliographic Database and Ethnic NewsWatch provide information to minority pupils. Information in Spanish can extend learning to the Hispanic community.
- BadgerLink provides professional education information. Tools such as Page Composer allow teachers to find information for pupils and to set up web pages with links to those resources. Other EBSCO features allow teachers to find information for students and to set up web pages with links to those resources.
- Searchasaurus provides information for primary school children, and EBSCO host has images that can be used for younger children.
- Reading and literacy. The full-text nature of this service provides reading material that can be accessed from home, school, or library. Pupils can learn how to do research and find materials independently. LitFinder and TeachingBooks.net specifically focus on reading and literature.
- Statewide contracts equalize educational opportunity across the state for all school districts, particularly small and/or rural districts that may otherwise not be able to afford these services.

The \$442,800 request for an encyclopedia and other information sources could come from possible vendors such as Grolier, World Book, or SIRS Discoverer.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 5502 – PUBLIC LIBRARY SYSTEM AID

307 – Aid to public library systems

s. 20.255 (3) (e)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$20,936,800	\$21,691,600
Less Base	\$11,297,400	\$11,297,400
Requested Change	\$9,639,400	\$10,394,200

Request/Objective

The department requests \$9,639,400 GPR in FY08 and \$10,394,200 GPR in FY09 to fund public library system aid at a 13 percent index level. Current law under s. 43.24 (6), Wis. Stats., requires the department to include a 13 percent index level of funding for public library systems in its biennial budget request.

Background/Analysis of Need

Continued inadequate state funding places at risk a program of library access, resource sharing, and improvement that the state has worked to develop since 1972. As a result, the state's residents will have lower quality public library services and will not have access to the knowledge and information resources that they need to meet their personal, professional, and educational goals.

There are 17 public library systems in Wisconsin. Over the past 30 years, these systems have developed strong programs of service for their member libraries, including resource sharing and open access for all state residents. The Public Library System Aid Program is the primary state mechanism to support public library services in Wisconsin.

Public library system aid indexing means that system aids should be set at a percentage of local and county expenditures in the previous year. Indexing was recommended by a Legislative Council study committee in 1978 at a level of 20 percent. The Legislature adopted system aid at 11.25 percent for 1981.

The indexing level was increased to 13 percent in 1986 by the Legislature, as a result of the State Superintendent's Task Force on Library Legislation. 1993 Wisconsin Act 16, the biennial budget bill, eliminated the 13 percent indexing level. 1997 Wisconsin Act 150 required the department to include a biennial budget request for library system aid equal to the 13 percent index.

In the 2005-07 biennial budget, the department requested \$10,055,200 GPR in FY06 and \$11,025,300 GPR in FY07 to fund the public library system aid program at a 13 percent index level. The Governor modified the request by reducing GPR funding of public library system aid by \$1,400,000 in FY06 and \$787,400 in FY07. As an offset, SEG funding (Universal Service Fund) was increased by \$2,111,000 in each year of the biennium. Overall, there was a net increase of \$711,900 in FY06 and \$1,324,500 in FY07. Under the Governor's proposal, public library system aid totaled \$14,908,600 for FY06 and \$15,521,200 for FY07. This allowed the state to maintain an approximate eight percent index level in each year. The Legislature approved the Governor's request.

Prior to the 2005-07 biennial budget, approximately 15 percent of the total library system aid came from the Universal Service Fund. In FY07, that percentage will have increased to 27 percent. The remainder of the public library system aid is funded from GPR.

The present level of funding jeopardizes the current status of full participation by all libraries in the state. Participation in public library systems is voluntary. If public libraries do not participate, access to public library service by nonresidents is reduced or eliminated. In order to ensure continued participation by all public libraries, public library systems must provide a level of service that makes participation desirable and beneficial to its member libraries. Without adequate funding, public library systems will not be able to provide this level of service.

The following table provides a 20-year history of indexing levels based on appropriations.

Year	Index Level
1986	11.53% (13% index in effect)
1987	11.89%
1988	11.97%
1989	11.18%
1990	12.26%
1991	12.07%
1992	12.08%
1993	11.63% (13% index eliminated)
1994	11.38%
1995	10.95%
1996	10.49%
1997	9.91% (DPI is required to request aid at 13% level)
1998	10.30%
1999	10.02%
2000	9.96%
2001	10.08%
2002	9.42%
2003	8.56%
2004	8.20%
2005	8.00%
2006(est)	8.10%

If state library system aid is not increased, and there is an assumed four percent annual local and county library system expenditure increase between FY06 and FY09, the index level of state aid will decrease to an estimated 7.8 percent in FY08 and 7.5 percent in FY09.

Year	Public Library System Aid	Expenditures from City & Local Sources	Local Expenditure Percent Increase	Index – Aid % of Previous Year's Local Exp.
2005	\$14,196,700	\$184,203,865	4.0%	8.0%
2006	\$14,908,600	\$191,572,020	4.0%	8.1%
2007	\$15,521,200	\$199,234,900	4.0%	8.1%
2008	\$15,521,200	\$207,204,296	4.0%	7.8%
2009	\$15,521,200	\$215,492,468	4.0%	7.5%

In a separate paper (see DIN 5503–Library Delivery Services), the department has identified a request of \$382,000 GPR in FY08 and \$401,000 GPR in FY09 to specifically cover the delivery costs incurred by public library systems.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 5503 – LIBRARY DELIVERY SERVICES

307 – Aid to public library systems

s. 20.255 (3) (e)

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$382,000	\$401,000

Request/Objective

The department requests \$382,000 GPR in FY08 and \$401,000 GPR in FY09 to cover library system delivery costs. South Central Library System (SCLS) has successfully connected public library system offices, academic and other types of libraries to provide a statewide service, but the amount of delivery services is expected to grow substantially as more libraries automate and patrons initiate more requests. The original intent of the program was to operate on a cost recovery basis. However, with recent public library system funding cuts, it is difficult to support delivery systems.

Background/Analysis of Need

The department manages statewide interlibrary loan operations. Libraries are encouraged to borrow and lend items not held in each library's collection to each other. The department has worked with the SCLS to provide statewide delivery services so that systems are interconnected.

The department appointed an advisory committee in 1998 to make recommendations concerning the operation and cost of a delivery system. In May 2002, the committee recommended that all public library system connections be made five days a week. The committee also recommended that the service be paid for from a separate state appropriation and not charged back to the systems.

Postal services and commercial delivery services such as UPS or Speedee have proven to be more expensive than having a dedicated van delivery service, which is currently employed. With a van delivery service, local library staff does not have to package and individually address each item, thus saving funds for staffing and supply costs.

For a delivery service to be effective, a large number of libraries throughout the state must be willing to participate. SCLS has successfully connected public library system offices, academic and other types of libraries to provide the statewide service.

Currently, public library systems pay a fee that includes a base fee and factors based on the system aids amounts received by each system and volume. The department has also allocated federal Library Services Technology Act (LSTA) funding toward delivery service costs. Starting in FY08, the LSTA funds may not be available at the same level due to the penalty for not maintaining effort that the department is required to sustain. Library system charges for five days per week service and LSTA funding provided by the department are summarized below:

Fiscal Year	Library Charges	LSTA Funds	Total Delivery Costs
2002	\$215,000	\$45,200	\$260,200
2003	\$236,500	\$45,200	\$281,700
2004	\$183,500	\$110,000	\$293,500
2005	\$261,900	\$61,600	\$323,500
2006	\$279,000	\$60,000	\$339,000
2007 (est)	\$296,000	\$60,000	\$356,000
2008 (est)		n/a	\$382,000
2009 (est)		n/a	\$401,000

In FY04, the department was able to allocate additional LSTA funds to cushion the blow of not receiving state funding increases. Even so, Milwaukee County Library System did drop out of the delivery service for a period of time. If fees are raised to cover the entire cost of the service, some libraries and systems may no longer be able to participate, resulting in reduced access to library materials by Wisconsin residents.

Other types of libraries that take part in the delivery service include University of Wisconsin System libraries, private academic libraries, technical college libraries, and correctional institution libraries. The University of Wisconsin System has negotiated a separate contract with South Central Library System. All the other entities pay a per stop cost.

The estimated FY07 total delivery costs of \$356,000 shown in the table above reflect a 5 percent growth over FY06, as estimated by department staff. Annual costs are expected to increase each year for staff and supplies and services. In addition, the projected rate of increase is also partially due to the increase in fuel costs. The actual delivery costs have increased on an average of 7 percent per year between FY02 and FY06.

Total delivery volume in 2005 to public library systems is estimated to be 746,000 items. The division estimated a 5 percent increase per year resulting in a volume of 783,300 items in FY08 and 822,500 in FY09.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 5504 – LIBRARY SERVICE CONTRACTS

320 – Library service contracts

s. 20.255 (3) (ea)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$1,134,200	\$1,097,200
Less Base	\$876,900	\$876,900
Requested Change	\$257,300	\$220,300

Request/Objective

The department requests \$257,300 GPR in FY08 and \$220,300 in FY09 to fully fund library service contracts and to purchase and maintain a Digital Talking Books server. These contracts assure that students and other individuals have equal access to informational materials required to do coursework, meet curriculum needs, or pursue personal interests regardless of where they live, their special needs or circumstances. Additional funds are needed to reflect contract cost increases and to assure the services can be continued.

Background/Analysis of Need

This request is to continue four library contracts to supplement services provided by the Division for Libraries, Technology and Community Learning. These contracts are maintained in accordance with s. 43.03 (7), Wis. Stats., which requires the State Superintendent of Public Instruction to contract for services with libraries and other resource providers in and outside of this state to serve as resources of specialized library materials and information not available in public libraries or the Reference and Loan Library.

The four providers with whom the department contracts are the Milwaukee Public Library (MPL), Wisconsin Library Services (WiLS), the Wisconsin Regional Library for the Blind and Physically Handicapped (WRLBPH), and the Cooperative Children's Book Center (CCBC).

WiLS and MPL lend materials to all parts of the state in response to requests forwarded by the Reference and Loan Library or public library systems. The contracts with WiLS and MPL ensure access to the major collections and unique materials held by these libraries for patrons statewide. Funds are used to pay for staff to locate, retrieve, ship and shelve materials, and for supplies and postage to ship to those libraries not participating in the statewide delivery service.

Under s. 43.03 (6), Wis. Stats., the State Superintendent is required to contract annually with a public library for the provision of library services to physically handicapped persons including the blind and physically handicapped. Since 1961, this contract has been maintained with the WRLBPH located in the Milwaukee Public Library, which provides its space without charge. The WRLBPH provides specialized services to certified blind and physically handicapped persons throughout the state. The Library of Congress provides the recorded and Braille materials (estimated at an annual value of \$376,700), but the state is obligated to provide for processing, maintenance, and circulation.

The CCBC is a repository of children's tradebooks used by children's librarians and teachers throughout the state. It provides unique resources and services to educators and other citizens for selection of materials and handling charges to selection criteria. The contract provides partial funding for staff and center operations.

2001 Act 16, the 2001-03 biennial budget, provided \$161,600 PR-S (from the Wisconsin Advanced Telecommunication Fund's dissolution) in FY02 to replace a shared automated system at the Wisconsin Regional Library for the Blind and Physically Handicapped.

The contracts are base funded at \$876,900 GPR in FY07. This reflects a \$154,800 GPR base reduction in the 2003-05 biennial budget bill. In its 2005-07 biennial budget, the department requested \$154,800 GPR annually in FY06 and FY07 to bring the library services contract appropriation back to its FY03 funding level. However, the request was not included in the 2005-07 Governor's budget.

The following table presents the library service contracts appropriation history:

Year	Appropriation	Change Over Previous Year
FY96	\$865,100	0%
FY97	\$865,000	0%
FY98	\$945,300	9.28%
FY99	\$973,700	3%
FY00	\$1,012,000	3.93%
FY01	\$1,047,300	3.49%
FY02	\$1,047,300	0%
FY03	\$1,031,700	-1.49%
FY04	\$876,900	-15%
FY05	\$876,900	0%
FY06	\$876,900	0%
FY07	\$876,900	0%

Due to the 15 percent reduction for the 2003-05 biennium, the department was not able to maintain all its contracts. In particular, the interlibrary loan contracts with WILS and MPL were cut substantially during the current biennium. This has meant that materials were not accessible from the UW and private academic libraries outside of Madison, and that there was not sufficient funding to fulfill all requests that could have gone to UW-Madison.

The budget request is broken down by contract as follows:

Contract	FY07 Base	FY08 Request	FY09 Request
WiLS	\$43,100	\$96,000	\$99,000
MPL	\$37,500	\$51,600	\$52,900
WRLBPH	\$733,600	\$911,600	\$868,300
CCBC	\$62,700	\$75,000	\$77,000
Total	\$876,900	\$1,134,200	\$1,097,200

WiLS charges on a per-transaction price for each service used. The increase in the WiLS contract cost is based on estimated costs to fulfill approximately 15,000 transactions per year. Interlibrary loan transactions are estimated to be charged at \$5.99 for FY08 and \$6.17 for FY09. In addition, approximately \$6,000 has been added to pay for requests to UW System libraries that charge the Reference and Loan Library for the materials that are requested.

The CCBC budget request is based on projections by CCBC in conjunction with the University of Wisconsin to maintain existing services.

The WRLBPH and MPL requests are based on line item budget projections to maintain existing services. In addition, the Library of Congress is developing a new technology that will allow, but not require, the delivery of Digital Talking Books. Adopting this technology would likely require each state to develop a means of duplicating digital copies of all talking books. The technology for the Digital Talking

Books will be storage transaction intensive and is estimated to cost \$50,000 for a one-time purchase of a server in FY08 and \$10,000 for maintenance of the server in FY09. These costs are built into the Regional Library budget request.

If the appropriation remains at its current funding level, there will only be enough funding to cover a portion of the cost of the Regional Library contract. Other contracts would have to be eliminated. The elimination of the other contracts would cause hardship for statewide resource sharing and would most likely eliminate the incentive for sharing resources.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 5505 – SCHOOL LIBRARY AIDS REESTIMATE

262 – School library aids

s. 20.255 (2) (s)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$35,000,000	\$40,000,000
Less Base	\$29,000,000	\$29,000,000
Requested Change	\$6,000,000	\$11,000,000

Request/Objective

The department requests \$6,000,000 SEG in FY08 and \$11,000,000 SEG in FY09 as a reestimate of projected school library aids.

Background/Analysis of Need

Aid to school libraries is distributed to school districts for the purchase of instructional media center materials. The aid is distributed on a per-capita basis according to the school census per district of persons between the ages of 4 and 20.

Aid to school libraries is composed of interest paid yearly on loans from the Common School Fund (fund 44) and includes interest earned on the aid revenue, earned between the time revenue is deposited in the appropriation and the time it is distributed to school districts. The Common School Fund was created by the state constitution (article X, section 2) and is distributed according to s. 43.70, Wis. Stats.

Revenues deposited to the appropriation are distributed to school districts on or before May 1. Estimates of the amounts available for distribution are provided by the Office of the Board of Commissioners of Public Lands.

In FY06, the Common School Fund provided approximately \$28.2 million in aid to Wisconsin's public school libraries, paid in April 2006. This represented a 15 percent increase over the previous year and was the largest contribution to school library aid in the 157 year history of the board. The FY06 distribution was at a rate of \$22.32 per student. For FY07, the board estimates the amount could reach \$30 million, and distributions could reach \$35 and \$40 million in the 2007-09 biennium.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6001 – BILINGUAL-BICULTURAL EDUCATION AID INCREASE

207 – Bilingual-bicultural education aids

s. 20.255 (2) (cc)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$10,946,200	\$11,931,300
Less Base	\$9,890,400	\$9,890,400
Requested Change	\$1,055,800	\$2,040,900

Request/Objective

The department requests an additional \$1,055,800 GPR in FY08 and \$2,040,900 GPR in FY09 to maintain the state's reimbursement of approximately 12 percent of approved prior year costs for school districts required to offer bilingual-bicultural education programs under ss. 20.255 (2) (cc) and 115.97 (2), (3), or (4), Wis. Stats.

Background/Analysis of Need

In certain cases, school districts are required by state law to provide special classes to pupils of limited-English proficiency (LEP). These classes are required at schools which enroll 10 or more LEP pupils in a language group in grades K-3, or 20 or more LEP pupils in a language group in grades 4-8 or 9-12. These school districts are eligible for categorical aid. State aid payments are based on the ratio of the categorical aid appropriation to the total aidable costs of the eligible districts in the prior year. Aidable costs are defined as the districts' prior year costs for salaries, special books, and other expenses approved by the department that are attributable only to programs for LEP pupils. Since FY94, LEP aidable costs have increased an average of nine percent a year.

State categorical aid for bilingual-bicultural education has not increased at the same rate as costs in recent years. In FY07, it is projected that state aid will represent 11.8 percent of reimburseable costs. As a result, under revenue limits, some districts are forced to take money from regular education to pay for LEP pupils. Other important concerns include:

- The average national dropout rate for LEP pupils is approximately double that of English-speaking students.
- Research indicates that at least five years of quality language/academic assistance is necessary to ensure a smooth transition of LEP pupils into the mainstream and to significantly raise high school graduation levels.
- With the creation of pupil assessments that affect grade promotion, services for LEP pupils must be adequate, promoting not only language development but also academic proficiency.
- Rapid increases of LEP pupils are occurring in many communities in Wisconsin. Some of these communities have little, if any, prior experience helping these new immigrants learn English, adapt to American life, and succeed academically in schools.

The number of districts offering programs and services to LEP pupils has increased from seven school districts in 1977 to 48 in the 2004-05 school year. Table 1 below shows two concurrent dynamics regarding the state's LEP school-age population:

- Districts required to provide LEP program services reported significant annual increases in the number of bilingual-bicultural pupils served over the last ten years and it is estimated that this number will continue to increase to approximately 30,000 pupils by 2008-09.
- The annual census of all LEP pupils in Wisconsin is estimated to reach approximately 48,000 individuals by 2008-09.

It is the discrepancy between these two figures that is of particular importance as it is assumed that this difference represents an under-funded and potentially underserved segment of the LEP pupil population.

Table 1

Fiscal Year	Number of Districts Offering Required Programs	Number of LEP Pupils Served	Census of All LEP Pupils	Difference
1993-94	37	13,994	16,755	2,761
1994-95	37	14,883	18,258	3,375
1995-96	41	15,798	21,621	5,823
1996-97	41	17,326	23,340	6,014
1997-98	38	17,326	24,740	7,414
1998-99	37	17,941	25,382	7,441
1999-00	38	19,003	27,184	8,181
2000-01	41	20,300	29,377	9,077
2001-02	45	22,016	32,588	10,572
2002-03	43	22,136	34,199	12,063
2003-04	48	22,311	35,602	13,291
2004-05	48	24,672	39,255	14,583
*2005-06	49	25,900	41,200	15,300
*2006-07	50	27,200	43,300	16,100
*2007-08	51	28,600	45,500	16,900
*2008-09	51	30,000	47,700	17,700

*Estimated average annual increases are projected using estimated rates.

While current law establishes LEP pupil thresholds that trigger required services and programs, districts with LEP enrollments below these thresholds are not required to establish LEP programs under state law and, if begun, their programs are not eligible for categorical state aids. As a result, it is estimated that in 2006-07, 27,200 LEP students will be enrolled in categorically-aided bilingual programs, while the total number of LEP students identified in Wisconsin will be 43,300.

While the rate of reimbursement for this program was originally set at 70 percent of aidable costs, it was subsequently reduced to 63 percent until proration was necessary for reimbursement of approved costs beginning in FY88. Over the years, the level of state support for this program has continued to diminish to the extent that in 2008-09 it is estimated that only 9.9 percent of the prior year's aidable costs will be supported by the current appropriation (see Table 3).

State categorical aid for bilingual-bicultural education was frozen at \$8,291,400 from FY91 to FY05. 2005 Wisconsin Act 25 increased the appropriation to \$9,073,800 in FY06 and \$9,890,400 in FY07 to maintain a 12 percent reimbursement rate through that biennium.

1999 Wisconsin Act 9 required the department to provide \$250,000 from the current bilingual-bicultural appropriation to school districts in which LEP pupils comprise 15 percent or more of the total enrollment (the Wausau school district was the only district eligible in the 1999-00 school year until Sheboygan became the second district eligible in the 2001-02 school year).

Maintaining the same level of categorical aid funding and creating a first-draw provision while bilingual-bicultural education costs continue to rise, effectively shifts the funding source for bilingual-bicultural education to general aids and property taxes.

Table 2 provides a brief history of the aid for this program under the requirements of current law:

Table 2

Fiscal Year	Aidable Costs (Prior Year)	State Aid Appropriation	Percent Reimbursement
1993-94	\$25,008,400	\$8,291,400	33.2
1994-95	27,492,801	8,291,400	30.2
1995-96	29,579,615	8,291,400	28.0
1996-97	32,747,337	8,291,400	25.3
1997-98	35,989,940	8,291,400	23.0
1998-99	38,984,609	8,291,400	21.3
1999-00	41,714,528	8,291,400	19.9
2000-01	44,788,051	8,291,400	18.5
2001-02	48,234,013	8,291,400	17.2
2002-03	58,388,591	8,291,400	14.2
2003-04	63,122,890	8,291,400	13.1
2004-05	70,463,780	8,291,400	11.8
2005-06	76,776,411	9,073,800	11.8
*2006-07	83,686,300	9,890,400	11.8

*Aidable costs based on an estimated annual increase of 9 percent over the prior year.

NOTE: Includes \$250,000 first draw to Wausau and Sheboygan school districts from bilingual-bicultural appropriation. The reimbursement rate noted in the table beginning in 1999-00 reflects a slightly higher percentage than actually paid to a majority of school districts.

Table 3 projects future aidable costs and the percent of reimbursement if the state aid appropriation remains the same in the 2007-09 biennium:

Table 3

Fiscal Year	Aidable Costs (Prior Year)	State Aid Appropriation	Percent Reimbursement
*2007-08	\$91,218,100	\$9,890,400	10.8
*2008-09	99,427,700	9,890,400	9.9

* Aidable costs based on an estimated annual increase of 9 percent over the prior year.

In July 2000, the Wisconsin Supreme Court articulated a new standard for a basic education in *Vincent v. Voight* that describes the “character of instruction” required to be made available through each public school. In the decision, the court found that an equal opportunity for a sound basic education acknowledges those students and districts are not interchangeable and takes into account districts with disproportionate numbers of limited-English proficient pupils.

In its June 2004 report, the Governor’s Task Force on Educational Excellence recommended that funds for the state bilingual-bicultural categorical aid program be substantially increased. The task force believed that investment in services and support for LEP students can lead to long-term positive gains.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6002 – EXPANDED BILINGUAL-BICULTURAL EDUCATION AID

217 – Bilingual-bicultural education aids; supplement s. 20.255 (2) (cd) – New

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$0	\$6,195,000

Request/Objective

The department requests \$6,195,000 GPR in FY09 to create a new bilingual-bicultural categorical aid program to award \$350 per limited-English proficient (LEP) pupil to districts that have LEP populations below the statutory threshold and thus do not qualify for categorical aid under s. 115.97 (2), (3), and (4), Wis. Stats., but are still educating LEP students.

Background/Analysis of Need

State categorical aid for bilingual-bicultural education is available to school districts whose LEP student population meets certain threshold requirements. In 2004-05, only 48 districts met these threshold requirements, and only 63 percent of the state's LEP students were served in these districts. Approximately 220 school districts are educating Wisconsin's LEP students but receive no additional state assistance from the current bilingual-bicultural categorical aids in providing for their education. Other important concerns include:

- The average national dropout rate for LEP pupils is approximately double that of English-speaking students.
- Research indicates that at least five years of quality language/academic assistance is necessary to ensure a smooth transition of LEP pupils into the mainstream and to significantly raise high school graduation levels.
- With the creation of pupil assessments that affect grade promotion, services for LEP pupils must be adequate, promoting not only language development but also academic proficiency.
- Rapid increases of LEP pupils are occurring in many communities in Wisconsin. Some of these communities have little prior experience helping these new immigrants learn English, adapt to American life, and succeed academically in schools.

In certain cases, school districts are required by state law to provide special classes to pupils of limited-English proficiency. These classes are required at schools which enroll 10 or more LEP pupils in a language group in grades K-3, or 20 or more in grades 4-8 or 9-12. These school districts are eligible for categorical aid. State aid payments are based on the ratio of the categorical aid appropriation to the total aidable costs of the eligible districts in the prior year. Aidable costs are defined as the districts' prior year costs for salaries, special books, and other expenses approved by the department which are attributable only to programs for LEP pupils.

The state share of aidable costs has decreased in recent years due to growth in program expenditures. In FY06, the state appropriation was \$9,073,600 for \$76,776,400 in prior year aidable costs, representing 11.8 percent.

In FY06, the average amount reimbursed per LEP pupil under the program was approximately \$350 (\$9,073,800 appropriation/25,900 eligible LEP pupils). The number of districts offering programs and services to LEP pupils has increased from seven school districts in 1977 to 48 in the 2004-05 school year. Table 1 below also shows two concurrent dynamics regarding the state's LEP school-age population:

- Districts required to provide LEP program services reported significant annual increases in the number of bilingual-bicultural pupils served over the last ten years and it is estimated that this number will continue to increase to approximately 30,000 pupils by 2008-09.
- The annual census of all LEP pupils in Wisconsin is estimated to reach approximately 47,700 individuals by 2008-09.

It is the discrepancy between these two figures that is of particular importance as it is assumed that this difference represents an under-funded and potentially underserved segment of the LEP pupil population.

Table 1

Fiscal Year	Number of Districts Offering Required Programs	Number of LEP Pupils Served	Census of All LEP Pupils	Difference
1993-94	37	13,994	16,755	2,761
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*2007-08	51	28,600	45,500	16,900
*2008-09	51	30,000	47,700	17,700

*Estimated average annual increases are projected using estimated rates.

While current law establishes LEP pupil thresholds that trigger required services and programs, districts with LEP enrollments below these thresholds are not required to establish LEP programs under state law and, if begun, their programs are not eligible for categorical state aids. As a result, in 2006-07, it is estimated that 27,200 LEP students will be enrolled in categorically aided bilingual programs, while the total number of LEP students identified in Wisconsin will be 43,300.

In July 2000, the Wisconsin Supreme Court articulated a new standard for a basic education in *Vincent v. Voight* that describes the "character of instruction" required to be made available through each public school. In the decision, the court found that an equal opportunity for a sound basic education acknowledges those students and districts are not fungible and takes into account districts with disproportionate numbers of limited-English proficient pupils.

In its June 2004 report, the Governor's Task Force on Educational Excellence recommended that funds be provided to districts that currently receive no state aid for their bilingual education efforts. The task

force did not select a specific funding target, but suggested that the \$350 per LEP pupil amount would be the most desirable.

Statutory Language

The department is proposing statutory language related to this request. See *Expanded Bilingual-Bicultural Education Aid* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6003 – SAGE PROGRAM: FULLY FUND AT \$2,250 PER PUPIL

275 – Achievement guarantee contracts

s. 20.255 (2) (cu)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$108,954,900	\$108,954,900
Less Base	\$98,588,000	\$98,588,000
Requested Change	\$10,366,900	\$10,366,900

Request/Objective

The department requests \$10,366,900 GPR in both FY08 and in FY09 to fund the statutory increase in state Student Achievement Guarantee in Education (SAGE) aid from \$2,000 per low-income student to \$2,250 per low-income student.

Background/Analysis of Need

SAGE Aid

SAGE aid is paid on the basis of full-time equivalent (FTE) low-income pupil counts in SAGE schools. Before the enactment of 2005 Wisconsin Act 125, \$2,000 annually was paid by the state to the school for each low-income FTE pupil ("low-income" is defined as the measure of low-income that is used by the school district under 20 USC 2723; an overwhelming number of districts choose eligibility for free or reduced-price lunch as the criterion they use). The initial total count of eligible low-income pupils is not known by the department until at least mid-October. Revised counts may come in as late as January because parents have been late submitting the necessary paperwork. However, only children who were enrolled in the school on the third Friday in September can be counted. Aid payments to SAGE schools are made by the department during the second week of November, the second week of February and mid-June. The amount of GPR appropriated for SAGE since the program's inception is outlined in Table 1 below:

Table 1: SAGE and SAGE Supplement Appropriations, FY96-FY07

Fiscal Year	Appropriation	Supplement**	Total	% Increase
FY 96	\$196,000	N/A	\$196,000	N/A
FY 97	\$4,591,000	N/A	\$4,591,000	2,342.3%
FY 98	\$4,591,000	\$2,369,000	\$6,960,000	51.6%
FY 99	\$10,291,000	\$4,739,000	\$15,030,000	215.9%
FY 00	\$13,745,000	\$4,739,000	\$18,484,000	23%
FY 01	\$54,015,600	\$4,739,000	\$58,754,600	217.9%
FY 02	\$71,190,600	\$4,739,000	\$75,929,600	29.2%
FY 03	\$90,290,600	\$4,739,000	\$95,029,600	25.2%
FY 04	\$90,290,600	\$4,739,000	\$95,029,600	0%
FY 05*	\$90,290,600	\$4,739,000	\$95,029,600	0%
FY 06	\$97,614,000	N/A	\$97,614,000	2.7%
FY 07	\$98,588,000	N/A	\$98,588,000	1.0%

*Does not include additional GPR transferred to the SAGE appropriation by the Joint Committee on Finance to cover a funding shortfall; \$539,200 in FY04 and \$1,325,000 in FY05.

**NA=Not Applicable. No SAGE Supplement that year.

NOTE: SAGE supplement was folded into the SAGE appropriation effective FY06.

Table 2 below shows changes in SAGE enrollment, SAGE low-income pupil enrollment, and poverty rate in SAGE schools beginning in the 2002-03 school year. The table demonstrates that while total

enrollment has declined over that period of time, the number of low-income FTE (on which the calculation of state SAGE aid is based) has fluctuated within a fairly narrow range (from 47,050 to 48,313—a difference of 1,263 pupils) and is relatively stable.

Table 2: Percentage Increase in SAGE Low-Income FTE

Academic Year	SAGE Low-Income FTE	% Change in Low-Income FTE	SAGE Enrollment	% Poverty Rate
2002-03	47,526	--	100,460	47.3
2003-04	47,899	.8	97,809	50.0
2004-05	47,050	(1.8)	96,828	48.6
2005-06	48,313	2.7	93,336	51.8

Passage of 2005 Wisconsin Act 125 provided the first adjustment in SAGE aid since the start of the program a full decade ago, increasing the per pupil aid amount from \$2,000 to \$2,250 starting in FY 08. The increase was welcomed by the department and schools even though it fell far short of totally ameliorating the inflationary pressures of the last 10 years. However, Act 125 was passed by the 2005 Legislature, which could not appropriate money beyond the 2005-07 biennium. Therefore, the act could (and did) make a statutory change regarding FTE low-income per pupil aid, but it could not commit the money necessary to fund the increase.

If sufficient money is not appropriated in the 2007-09 budget to fully fund the \$2,250 commitment, the department will need to pro-rate SAGE aid and the purpose of the SAGE-related Act 125 provisions will be defeated. Under that scenario, more and more of the burden of supporting small class sizes and the benefits that accompany them would fall on the property tax for schools continuing to participate in the program, provided they can raise the levy by the amount needed under revenue limits.

According to the “Inflation Calculator” of the U.S. Bureau of Labor Standards, \$2,594—a 29.7 percent increase over \$2,000—would be needed today to have the same purchasing power \$2,000 had in 1996. By such a measurement, this request to fully fund SAGE aid at the newly-enacted statutory rate of \$2,250 is not only reasonable, it is quite conservative.

Calculation of the Cost of Fully Funding the \$2,250 SAGE State Aid

- The amount available for aid to SAGE schools in FY06 is \$97,364,000 (\$97,614,000 appropriated in Chapter 20 minus \$250,000 for the required annual SAGE evaluation). Claims for aid (based on the number of low-income students) were \$96,626,600. Therefore, the amount of SAGE lapse in FY06 is \$737,400 (\$97,364,000 - \$96,626,600).
- The amount available for aid to SAGE schools in FY07 (the base year for the 2007-09 biennial budget) is \$98,338,000 (\$98,588,000 appropriated in Chapter 20 minus \$250,000 for the required annual SAGE evaluation). Claims for aid (based on the number of low-income students) are anticipated to be the same as in FY06, \$96,626,600. Therefore, the amount of the SAGE lapse in FY07 will likely be \$1,711,400 (\$98,338,000 - \$96,626,600).
- In March 2006, the 495 SAGE schools in Wisconsin had a total of 48,313.1 FTE low-income students. (Total K-3 enrollment in those schools was 93,336).

Table 3: Calculation of Additional Amount Needed to Fund SAGE Aid at \$2,250
Per Low-Income Student
(assuming 48,313.1 low-income FTE)

Estimated FY07 claims for aid @ \$2,000	\$96,626,600
Cost to raise aid to \$2,250 [48,313.1 (current low-income FTE count) x additional \$250 low-income FTE SAGE aid]	\$12,078,275
Total cost	\$108,704,875
Less base appropriation [s. 20.255 (2) (do), Wis. Stats.]	- \$98,338,000
Total annual increase needed	\$10,366,875

NOTE: This estimate is based on the assumptions that there will be no growth in the number of low-income pupils in participating schools.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6004 – SAGE PROGRAM: ADD NEW SCHOOLS

275 – Achievement guarantee contracts

s. 20.255 (2) (cu)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$98,588,000	\$99,128,000
Less Base	\$98,588,000	\$98,588,000
Requested Change	\$0	\$540,000

Request/Objective

The department requests \$540,000 GPR in FY09 to allow a “fourth wave” of roughly five schools to join the Student Achievement Guarantee in Education (SAGE) program beginning in the 2008-09 school year.

Background/Analysis of Need

The SAGE program was developed in 1995 based on recommendations from the State Superintendent’s Urban Initiative Task Force. SAGE provides participating schools with up to \$2,000 in state aid based on each eligible low-income K-3 pupil. In return, SAGE schools must reduce the K-3 pupil/teacher ratio to 15:1, work to provide a rigorous curriculum, provide professional development and accountability plans, and provide before- and after-school activities.

The program was implemented for grades K-1 at the beginning of the 1996-97 school year with 30 schools in 21 school districts. It was expanded to second grade in 1997-98 and to third grade in 1998-99. Seventy-eight additional schools joined SAGE in 1998-99. Approximately 500 additional schools joined the program in 2000-01. In 2005-06, there were 495 schools in SAGE serving approximately 93,336 pupils in 222 districts. Eighty-six SAGE schools are in the Milwaukee Public School System. The low-income FTE per pupil aid amount had not been adjusted—even for inflation—since the program’s inception until 2005 Wisconsin Act 125 was signed into law. That Act increased the low-income per pupil aid to \$2,250 starting in 2007-08.

Some schools may have missed the opportunity to apply for SAGE during initial enrollment windows. Others may be newly interested in program participation. These schools may now find it beneficial to join the program for one or more of the following reasons:

- In the intervening time frame, some of these schools have experienced increases in poverty rates.
- School district attendance areas change from time to time. As a result, a school that was in a low poverty area in the past may be in a high poverty area now.
- Districts are implementing the neighborhood schools initiative which could result in changes in the needs of existing buildings.
- New schools are being built.
- Other factors may have changed over time.

Regardless of circumstances such as those described above, the department does not currently have the authority to accept new SAGE contracts. Therefore, the department proposes that the state provide

enough money in FY09 to allow a small number of schools (probably five, depending on how far the money can be stretched due to the number of low-income enrollees) into the program beginning in the 2008-09 school year.

This proposal would amend the SAGE law to reopen the application process for a fourth “wave” of schools to apply during 2007-08, and add money in the second year of the biennium (FY09) to fund the expansion. It would not be practical to provide the increase during the first year of the biennium (FY08), because that would not provide enough time to fully undertake the application process. Instead, FY08 would serve as the one year “window of opportunity” for applications. Such a time frame for accepting applications would be consistent with what the department did during the lead time for other waves of schools.

Assuming SAGE aid per low-income pupil remains at \$2,250, and a fourth wave of roughly five schools phases into the program by providing small classes to grades K-1 in the first year of the contracts, the FY09 cost would be \$108,000 per school, or a total of \$540,000, calculated as follows:

- There currently are 495 schools in SAGE serving a total of 48,313.1 FTE low-income pupils for an “average” of 98 per school and 24 per grade.
- 24 pupils per grade x 2 grades x \$2,250 per low-income pupil SAGE aid = \$108,000 average per school.
- \$108,000 per school x estimated 5 new schools = additional \$540,000 GPR needed.

If an additional five schools would join the program using this new application window, and assuming an average of 48 low-income FTE from each school, 240 (5 x 48) additional low-income pupils would be eligible for SAGE aid in FY09. If the number of eligible low-income pupils is greater than 240, then SAGE aid payments would need to be prorated according to administrative code.

The Governor’s Task Force on Educational Excellence recommended admission of more schools to the SAGE program.

A statutory language change is needed to s. 118.43 (3), Wis. Stats., to allow a fourth wave of schools to enter the SAGE program beginning in the 2008-09 school year.

Statutory Language

The department is proposing statutory language related to this request. See *Sage Program: Add New Schools* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6005 – PRECOLLEGE SCHOLARSHIP PROGRAM

310 – Minority group pupil scholarships **s. 20.255 (3) (fz)**

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$2,286,400	\$2,286,400
Less Base	\$2,177,500	\$2,177,500
Requested Change	\$108,900	\$108,900

Request/Objective

The department requests \$108,900 GPR in both FY08 and FY09 to provide a five percent increase for the Precollege Scholarship Program (PSP). This increase is necessary so the program can continue its work preparing students for college who otherwise may never pursue a postsecondary education.

Background/Analysis of Need

PSP was initiated in 1985 as the Minority Group Pupil Scholarship Program (MGPSP). As the MGPSP, it awarded precollege scholarships to minority group applicants regardless of their economic circumstances. A major milestone in the history of the program occurred when the term “minority” was dropped from its name as a result of an agreement the department reached with the Office of Civil Rights of the U.S. Department of Education in November 2004. As a result, PSP is now used to help students, regardless of race, who are eligible for free or reduced-price lunch. This has resulted in the program being re-named the Precollege Scholarship Program. Under both names (PSP and MGPSP), the program has been administered by the department’s Wisconsin Educational Opportunities Program (WEOP).

A total of 31 locations—17 campuses in the UW System, four Wisconsin Technical College System campuses, and 10 private colleges—offer courses which address many different subjects. PSP pays the cost of courses, books, supplies, and room and board. The number of scholarships has grown from 912 in FY86 to 4,350 in FY05, and the number of students served increased from 813 to 3,553. Since the change in the program’s focus that is described above, WEOP’s management reports that 95 percent of the participants in the 2005 summer program were minorities; five percent were white.

PSP has two major goals: (1) to introduce students early to postsecondary opportunities at host institutions through summer and year-round academic programming; and (2) to increase matriculation rates for economically disadvantaged students (i.e. those eligible for free or reduced-price lunch) in the university system, and in technical and private colleges. Scholarships support academic class work and skill building, as well as assistance with matters such as career choices, preparation for tests, and reinforcement of self esteem. Specifically, this is accomplished through providing college visits to postsecondary institutions in Wisconsin; providing career exploration by creating partnerships with private colleges, technical colleges, and the UW System; providing financial aid and admissions counseling to students and parents prior to high school graduation; and providing students with early awareness of educational opportunities. It also helps students clarify their vocational goals; encourages participation in educational and cultural activities; assists students in obtaining tutoring, mentoring, and counseling to enhance their academic skills; and assists students in obtaining financial aid and admission guidance for postsecondary education.

Challenging the “Achievement Gap” and the “Baccalaureate Gap”

This budget initiative targets needy students that face large academic challenges in their educational programs. Thus, one of the major focal points of the PSP is to close the achievement gap. It helps develop home-grown talent that needs nurturing.

The program also helps close the “baccalaureate gap” that many believe is keeping the state from recognizing its economic potential. Wisconsin needs 72,000 more holders of bachelors’ degrees just to keep up with the national average. In the meantime, there is concern that knowledge-based companies with good-paying jobs are not locating here because the workforce is not sufficiently prepared to meet their expectations.

Therefore, PSP, by preparing students for college before they matriculate, could play an important role in economic development by producing more college graduates as well as in equalizing educational opportunity.

Program Operation

Requirements for participating postsecondary institutions: Precollege programs that postsecondary institutions develop must reinforce basic skills and competencies such as math, reading, writing, and logical reasoning; help students develop the skills and attitudes necessary for college and employment; and provide special experiences for the students such as academic camps and workshops in science, writing, arts, humanities, computers, architecture, and engineering. Along these lines, WEOP emphasizes that it strives to include the following features in PSP: reading, math, and literacy programs; career and technical education programs; and parent and community involvement opportunities.

Scholarships: Each student may receive up to three scholarships per year. Scholarships range in value from \$75 to \$2,000 each. Most of the scholarships are in the \$300 to \$500 range. Generally speaking, students and parents apply for a scholarship to a program they feel would meet the student’s needs and interests without knowing the dollar amount of the scholarship. The department is pleased that WEOP’s 2005 Summer Precollege Survey showed that 96 percent of precollege participants felt the program motivated them and increased their desire to attend college after graduation from high school, and that almost 90 percent of students attending a precollege program graduate from high school, according to University of Wisconsin figures.

Funding

Funding levels, number of scholarships, and number of students in the PSP since FY97, along with percentage increases or decreases over the previous fiscal year are presented in Table 1 below:

Table 1: Precollege Program Budget and Scholarship Data, FY97-FY05

Fiscal Year	Budget Amount (with inc. or dec. over previous FY)	Number of Scholarships (with inc. or dec. over previous FY)	Average Amount of Scholarships (with inc. or dec. over previous FY)	Number of Students	Average Number of Scholarships Per Student
FY97	\$900,000	2,609	\$344.96	2,251	1.2
FY98	900,000 0.0%	2,910 11.5%	\$309.27 (10.3%)	2,417 7.4%	1.2
FY99	1,050,000 16.7%	2,942 1.1%	\$356.90 15.4%	2,382 (1.4%)	1.2
FY00	1,525,000 45.2%	3,522 19.7%	\$432.99 21.3%	2,926 22.8%	1.2
FY01	1,525,000 0.0%	4,198 19.2%	\$363.27 (16.1%)	3,355 14.7%	1.3
FY02	1,525,000 0.0%	4,221 0.5%	\$361.29 (.5%)	3,452 2.9%	1.2
FY03	2,177,500 42.8%	4,831 14.5%	\$450.73 24.8%	3,762 9.0%	1.3
FY04	2,177,500 0.0%	4,678 (3.2%)	\$465.48 3.3%	3,676 (2.3%)	1.3
FY05	2,177,500 0.0%	4,350 (7.0%)	\$500.57 7.5%	3,553 (3.3%)	1.2

NOTE: Appropriation level remained at \$2,117,500 GPR in both FY06 and FY07. Scholarship and student information for those fiscal years not yet available.

All money appropriated for PSP goes toward scholarships for disadvantaged students. Thus, the full request goes toward helping disadvantaged students prepare themselves for postsecondary education, and therefore can be said to work toward closing the achievement gap as well as the baccalaureate gap. Salaries for program staff are funded through other GPR sources and federal GEAR UP.

The PSP appropriation has not been increased since FY03. According to the “Inflation Calculator” of the U.S. Bureau of Labor Statistics, in order to have the purchasing power of \$2,117,500 in 2002 dollars, one would need roughly \$2,395,300 in 2006 dollars. That means that PSP’s purchasing power has decreased by 11.6 percent, or \$277,800, since 2003. The requested five percent increase of \$108,900 in each fiscal year of the biennium, if granted, would make up 39.2 percent of the “inflation gap” the program is now facing.

Statutory Language

The department is proposing statutory language related to this request to change the name of the program to the Precollege Scholarship Program. See *Precollege Scholarship Program* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6006 – ASSURING EARLY LEARNING OPPORTUNITIES

102 – General program operations

s. 20.255 (1) (a)

122 – Personnel licensure, teacher supply, information and analysis and teacher improvement

s. 20.255 (1) (hg)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
GPR	\$272,200	\$194,900
PR-S	\$70,500 1.0 FTE	\$92,100 1.0 FTE
Total	\$342,700	\$287,000

Request/Objective

The department requests \$272,200 GPR, \$70,500 PR-S and 1.0 FTE in FY08 and \$194,900 GPR, \$92,100 PR-S and 1.0 FTE in FY09 to support a coordinated program of quality early learning opportunities throughout the state. The requested funding would (1) provide support for school districts exploring and implementing four-year-old kindergarten (4K) programs; (2) strengthen and support the regional network that has been established to interface early education programs with other health care and child care systems in the state; (3) continue development and implementation of the Wisconsin Model Early Learning Standards; (4) develop aligned teacher competencies in early childhood education programs; (5) establish an early childhood teacher licensing consultant, funded with teacher licensing revenue, to ensure a consistent review and approval process for all higher education programs and the licensing of early childhood education staff; and (6) expand department data collection to integrate information on 4K and early childhood programs into existing databases.

As part of this proposal, the department requests statutory language that, beginning in FY09, would permit each school district that adopts a “community approach” to early care and education to count an additional 0.1 FTE toward state aid and revenue limits for each 4K pupil enrolled in the district.

Background/Analysis of Need

Wisconsin recognizes the importance of education in the lives of very young children. The state constitution sets the stage for school responsibilities beginning with four-year-olds, and state and federal laws require school services for children with disabilities beginning at age three. A child’s success in school is dramatically influenced by their experiences before school age, including health care and quality early care and education. Schools and communities across the state are sharing responsibilities to ensure that quality opportunities are available for young children before they enter school and during their early school years. A coordinated plan to expand access and improve the quality of early learning opportunities is needed to build a foundation for a quality statewide system that builds community, maximizes resources, and assures quality environments and competent professionals. This early learning proposal is based on extensive research and has been developed through cooperation among four of the department’s divisions, with input from two other state agencies. It builds on past successes, incorporates plans and efforts endorsed by a number of organizations and groups, and addresses weaknesses that have been identified in national 4K reports.

Additional Full-Time Equivalent (FTE) Authority for Community Approaches

Under current law, for state aid and revenue limit purposes, school districts with 4K programs are allowed to count pupils enrolled in such programs as 0.5 FTE, assuming they provide 437 hours of direct instruction annually, or as 0.6 FTE if they also provide 87.5 hours of parent outreach each year.

While state law recognizes the importance of parental involvement and provides a financial incentive to incorporate it into 4K programs, no equivalent incentive is provided for districts using “community approaches.” During the 2005-06 school year, 234 of the state’s 426 school districts operated a 4K program, but only 33 of these districts used community approaches, where school districts work cooperatively with child care and Head Start partners. Community approaches help maximize existing resources, minimize the number of transitions young children must make among programs, and reduce barriers to participation by increasing access to full-day programs for working families and to health and social services for low-income children. The integration of multiple types of funding sources and a wide range of early care providers enhances overall quality of services to children and families. However, the planning and community building needed to design, implement and sustain a 4K program using a community approach is time consuming and requires ongoing staff effort. To provide a financial incentive for school districts, the department requests statutory language that would permit districts, beginning in FY09, to count an additional 0.1 FTE toward state aid and revenue limits for each 4K pupil enrolled in a program that uses community approaches. If this provision had been in place during the 2005-06 school year, the 33 districts using community approaches would have been eligible for approximately \$3.7 million in additional revenue limit authority. While the proposal may result in a reallocation of general school aid, it would not require additional state funding.

Support for Districts Exploring/Implementing 4K

The department is committed to expanding the number of 4K programs offered in the state. Support for the approximately 100 school districts currently exploring the implementation of a 4K program is critical. In the past, funding through a grant from the Trust for Early Education (TEE), allowed the department to establish a network of support (Forces for Four-Year Olds Advisory Committee, Preserving Early Childhood Conference) and to provide resource materials to districts exploring or implementing 4K programs. This temporary private funding is no longer available, but the demand and need for support to these districts continues. The department requests \$50,000 GPR in FY08 and \$42,000 GPR in FY09 to continue providing materials, support and technical assistance to districts exploring and implementing 4K.

Regional Networks and Collaboration Coaches

A regional network of early childhood education support has been established in the state that interfaces with regional structures established for public health care systems, early intervention services, Head Start programs, Cooperative Educational Service Agencies (CESAs), and child care licensing regions. Given the variety of issues that affect early learners, funding from various sources is appropriate to support the early childhood education effort. Available funding from a number of sources has been “braided” to support the network and provide opportunities to children statewide. The fund sources for the efforts of the Wisconsin Early Childhood Collaborating Partners (WECCP) include federal funding through the department (Individuals with Disabilities Education Act, McKinney Vento Homeless Assistance Act), the Department of Workforce Development (Child Care and Development Block Grant, Wisconsin Head Start Collaboration Project) and the Department of Health and Family Services (Early Childhood Comprehensive Systems). In the past, the TEE grant helped to supplement these federal fund sources, but state funding will be needed in the future to continue the efforts of the Wisconsin Collaborating Partners Action Team in working toward aligning various early childhood education programs and services. To effectively achieve the cooperation needed throughout the state, involvement of early childhood stakeholders, including individuals from associations, agencies, community programs, schools, child care and Head Start centers, and others, must continue to grow and flourish.

Eight community collaboration coaches have had a significant impact, supporting over 100 districts interested in expanding 4K. In addition to increasing services for young children with disabilities, they are also beginning to address other related issues such as homelessness, poverty and mental health. To continue these expanded efforts, it is essential for the collaboration coaches to increase their availability. It is estimated that increasing their time from 40-50 days each up to approximately 80 days would more fully meet the demand for support to districts. As part of their efforts, funding is needed for

training of local collaboration council members as well as mentoring visits for regional staff and local and community staff.

Finally, there is a need to increase the amount of six regional mini-grants that are currently supported with federal IDEA discretionary funding. Originally, the grants were \$1,000 each and were limited to supporting regional involvement in WECCP video conferences and meetings. The federal grants were later increased to \$2,000 and enabled each region to offer more training opportunities and to establish a more coordinated regional training network. Additional funding to support this network (increasing grants from \$2,000 to \$4,000) would support regional work plans and provide funding for the regions to expand their training opportunities to meet the demand for training on topics such as transition from Birth-3 programs to special education, Wisconsin Model Early Learning Standards (WMELS), strengthening families, child abuse prevention, early literacy, etc. It would also allow for greater efficiency by allowing for more collaboration and sharing of information among districts and agencies within each region.

The department requests \$92,000 GPR annually in FY08 and FY09 to supplement current federal funding and provide adequate support for the WECCP regional network and collaboration coaches.

Wisconsin Model Early Learning Standards

Research shows that quality is enhanced when early childhood programs use standards to guide their curriculum development. The Wisconsin Model Early Learning Standards (WMELS), developed in 2003, were designed to apply to all programs serving children from birth to third grade, including children with disabilities. Department staff and select community collaboration coaches created the WMELS booklet, train-the-trainers workshop, supporting website, and resource materials. The first edition focused on children from age 3 to kindergarten. Approximately 70 individuals have received training and are delivering training as specified in regional network work plans. Federal sources, through both the department and the Department of Workforce Development, have provided support for these efforts, and the WMELS are expected to be part of a revised child care quality rating system for the state.

The WMELS need revision to ensure they adequately address the various age groups (birth-age 3, age 3-first grade, and grade 1-3). Benchmarks/guidelines are needed to support school-based kindergarten programs, and other updates and revisions are needed for the standards established for birth to first grade. In addition, standards need to be developed for the grade 1-3 group. Funding is requested for revision of current standards and development of new standards, development of toolkits and other teaching materials, reprinting of the WMELS, and mailing and dissemination costs. As part of this initiative, the department is requesting funding to increase the time of three standards coaches from 10 days each to 20 days each as well as funding to support existing trainers, including annual facilitator training and new train-the-trainers sessions for underserved regions and rural areas.

The department requests \$37,500 GPR in FY08 and \$30,500 GPR in FY09 to support the continued development and implementation of the WMELS.

Implementation of PI 34 Early Childhood Program Requirements and Teacher Licensing Oversight

As part of the implementation of Chapter PI 34, Wis. Admin. Code, and the transition from the old PI 3 and 4 system, there is a clear need to align the review and approval process for early childhood education programs among all higher education institutions. It is important that the new process under Chapter PI 34, Wis. Admin. Code, consider important changes that have taken place in the area of early childhood education and that university program content, technical college course content, and department content guidelines are all consistent and build on the work done at the national level. It is essential for aligned competencies to be developed that include all higher education institutions, including technical colleges. Benchmarks for performance and approval are also needed for early childhood special education, early childhood regular education, and early to middle childhood education.

Following the development of aligned competencies, mini-grants would be awarded to higher education institutions to develop program models. The models would include online courses, articulation models, dual license program content models, etc., all of which would then be made available to other institutions. The department would encourage the development of models that would incorporate (1) innovative recruitment practices to increase participation of under-represented populations; (2) competency alignment across institutions as well as full articulation across two-year and four-year institutions; (3) alternative delivery systems that would increase accessibility and be responsive to various learning styles and technological competence; (4) course work and experiences for early childhood education and care professionals in all home and community settings that include children with special needs, including enhanced capacity for special education teachers, therapists, and other health and social services professionals to work as providers in various community-based settings; and (5) follow-up studies of graduates of two-year and four-year institutions to evaluate the effectiveness of their professional preparation.

The department requests \$17,000 GPR in FY08 and \$11,000 GPR in FY09 to develop aligned competencies for all higher education programs, to develop approval rubrics for the various types of early childhood education programs, and to award mini-grants to higher education institutions to develop program alignment models.

Teacher licensing requirements currently allow for individuals to be licensed in early childhood general education or early childhood special education. In addition, dual licensure is available, and the number of dual certification programs is increasing. This trend is helping to address the increase in the number of children with disabilities in 4K and 5K programs, as well as community early childhood programs, by providing more competent teachers and allowing districts more flexibility in hiring practices. Wisconsin higher education institutions currently have 14 early childhood general education programs, 8 early childhood special education programs, and 22 early to middle childhood education programs.

State legislation regarding four-year-old kindergarten has greatly increased the need for licensed early childhood teachers, especially for early childhood special education. This need has caused a growing increase in the number of early childhood teacher preparation programs offered across the three different licensing categories as well as an increasing number of significant program revisions intended to address important changes in program content. The workload associated with the consistent review and approval of new and revised early childhood programs has outpaced the current capacity of the department to meet that need, particularly the need to conduct on-site reviews of these new and revised programs. This has placed an undue burden on current special education and teacher education and professional development staff that will only increase as the number of newly proposed and revised programs increases to meet the public need.

Based on the need for aligned competencies among various types of early childhood education programs, a consistent review and approval process for higher education programs, and an efficient early childhood teacher licensure process, the department requests 1.0 FTE PR-S position authority to establish an education consultant position on the Teacher Education and Licensing Team. The position would be responsible for overseeing the review and approval of all early childhood level education programs and licensing of early childhood education professionals. The cost of the position is estimated at \$70,500 PR-S in FY08 and \$92,100 PR-S in FY09, and would be entirely supported through teacher licensing fees which are projected to be adequate to support an additional position.

4K and Early Childhood Data Collection

Currently, there is a lack of good data on the state's 4K and early childhood programs. Although professionals in the field attest to the effectiveness of the state's 4K programs, it has been impossible to track 4K students as they progress through school or to demonstrate the effectiveness of the program. In addition, each year the state's 4K program is rated by the National Institute of Early Education Research (NIEER), and the department is currently unable to provide solid data and

information on many of the indicators for this rating. Accurate statistical information is needed for accountability and to enable the department to respond to questions and requests for information, not only from NIEER, but also from other organizations, state legislators, and the general public, including parents.

Collecting data on 4K programs and students would require the development of software and data collection systems that are unique. The data collected would be integrated into existing systems, including the department's Individual Student Enrollment System (ISES), and would be part of the department's data warehouse project. In addition to 4K programs, data would be collected on community child care and early childhood education programs and county special education programs, as well as information on community approaches in 4K programs. Finally, reporting tools would be developed for effective use of the data, including the preparation of an annual report on the state's various early learning programs. It is anticipated that department staff, along with LTEs and possibly some outside contractors, would complete this work.

The department requests one-time funding of \$75,700 GPR in FY08 for development of an early childhood data collection system and \$19,400 GPR in FY09 for annual costs of maintaining the system and preparing and disseminating an annual report on early learning programs.

Statutory Language

The department is proposing statutory language related to this request. See *Assuring Early Learning Opportunities* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6007 – SCHOOL BREAKFAST REIMBURSEMENT RATE

215 – Grants for school breakfast programs *s. 20.255 (2) (cm)*

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$2,285,100	\$2,513,600
Less Base	\$1,055,400	\$1,055,400
Less Est. Carryover	\$0	\$0
Requested Change	\$1,229,700	\$1,458,200

Request/Objective

The department requests \$1,229,700 GPR in FY08 and \$1,458,200 GPR in FY09 to increase the per meal reimbursement rate from 10 cents to 15 cents per breakfast served by public and private schools under the state's School Breakfast Program.

Background/Analysis of Need

In 2002, the Hunger Task Force of Milwaukee completed a breakfast research study on the attitudes and perceptions of Wisconsin school officials toward the school breakfast program. The survey concluded that cost is a barrier to participation.

Although the breakfast program school and student participation rates continue to grow, Wisconsin must improve in both:

- School participation rates. The Food Research and Action Center's *School Breakfast Scorecard: 2005* ranked Wisconsin 50th in terms of school participation in the School Breakfast Program compared to participation in the National School Lunch Program. Only 50 percent of Wisconsin's schools that participate in the lunch program also participate in the breakfast program. The national average is 81 percent. In Wisconsin, there are 10 public school districts that do not have a lunch program.
- Student participation rates. All students have access to the school breakfast program if it is offered in their school, but many choose not to participate. The Food Research and Action Center's *School Breakfast Scorecard: 2005* ranked Wisconsin 51st in terms of free and reduced-price children participating in the School Breakfast Program compared to their participating in the National School Lunch Program. Only 26 percent of Wisconsin's children eligible for free and reduced-price meals that participate in the lunch program also participate in the breakfast program. The national average is 44 percent.

The federal School Breakfast Program (SBP) provides cash assistance to states to operate nonprofit breakfast programs in schools and residential childcare institutions. School breakfasts are available to all students.

Participating entities receive cash subsidies from the U.S. Department of Agriculture (USDA) for each meal they serve. In return, they must serve breakfasts that meet federal requirements, and they must offer free or reduced-price breakfasts to eligible children. Eligibility criteria, student costs, and USDA reimbursement rates for free and reduced- and full-price meals are as follows:

	Eligibility Criteria	Amount Student Pays	Amount USDA Reimburses Participating Entity
Free meals	Children from families with incomes at or below 130 percent of the federal poverty level	\$0.00	\$1.27 per meal
Reduced-price meals	Children from families with incomes between 130 percent and 185 percent of the poverty level are eligible for reduced-price meals	No more than 30 cents	97 cents per meal
Full-price meals	Children from families with incomes over 185 percent of the poverty level pay full price	Schools set their own prices for breakfasts served, though they must operate their meal services as non-profit programs.	23 cents per meal

In addition, the state provides GPR to reimburse participating entities at a rate of 10 cents per each breakfast served, regardless of a student's eligibility for free or reduced-price meals.

Prior to the current 10 cent payment (before 2000), the department awarded start-up grants, not to exceed \$10,000, to school districts and private schools to reimburse them for certain nonrecurring costs associated with establishing breakfast programs. Only districts or private schools with 20 percent of their pupils eligible to receive free or reduced-price lunch were eligible to receive a start-up grant.

1999 Wisconsin Act 9, beginning in FY01, eliminated the start-up grant program and instead each eligible institution was reimbursed 10 cents per breakfast served in the prior year. The school breakfast funding was also increased by \$742,000.

Beginning in FY01, the federal Kohl Breakfast Start-Up Grant Program awarded funds to eligible entities to address the problem of overcoming initial start-up costs for the breakfast program. Since FY01, the Kohl start-up grant program has awarded more than \$4 million and brought an additional 359 schools into the breakfast program with an enrollment of 145,052 students. In addition, SBP grants were awarded to 231 existing buildings to improve breakfast participation.

2001 Act 16, beginning in FY02, increased the school breakfast program appropriation where it continues to be funded annually at \$1,055,400 GPR under s. 20.255 (2) (cm), Wis. Stats. A history of the school breakfast appropriation follows:

Year	Beginning Balance	Appropriation	Actual Expenditure	Ending Balance	Breakfasts Served
1998-99	\$144,700	\$150,000	\$139,800	\$154,900	N/A
1999-00	154,900	150,000	159,500	145,400	N/A
2000-01	145,400	892,100	990,100	47,400	N/A
2001-02	47,400	1,055,400	907,000	195,800	9,837,402
2002-03	195,800	1,055,400	983,700	267,500	10,470,287
2003-04	267,500	1,055,400	1,047,000	275,900	11,384,231
2004-05	275,900	1,055,400	1,138,400	192,900	12,590,015
2005-06	192,900	1,055,400	1,248,300	0	N/A

NOTE: The school breakfast appropriation is a continuing appropriation; therefore, any unspent funds or ending balance becomes the subsequent year's beginning balance.

As a result of the increase in school breakfast participation, appropriated and carryover funds have been fully expended in 2005-06. This is the first time claims were not paid at 100 percent. Actual payments were prorated to 9.91 cents per breakfast served.

It is anticipated that school breakfast participation will continue to increase. Without an increase in the state school breakfast appropriation, participants will receive less reimbursement per meal served in the 2007-09 biennium. The prorated rate in 2008-09 is projected to be 6.3 cents per breakfast assuming an annual 10 percent increase in eligible meals over the biennium.

Because it is assumed that the number of meals served will continue to increase by 10 percent (as it did from FY04 to FY05), funding will need to be increased using the following formula:

FY08 number of meals (15,233,918) x .15 – base funding (\$1,055,400) = \$1,229,700

FY09 number of meals (16,757,310) x .15 – base funding (\$1,055,400) = \$1,458,200

This request was included in the Governor's 2005-07 Biennial Budget and supports the Governor's KidsFirst initiative which proposes to increase school breakfast participation.

Statutory Language

The department is proposing statutory language related to this request. See *School Breakfast Reimbursement Rate* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6008 – ELIMINATE REDUCED-PRICE SCHOOL BREAKFAST FEE

216 – Grants for reduced-price school breakfast

s. 20.255 (2) (ck) – New

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$1,100,000	\$1,100,000

Request/Objective

The department requests \$1,100,000 GPR in both FY08 and FY09 to create a new grant program to pay the 30 cents charged to each student for his or her reduced-price breakfast, thus allowing the student to eat a free breakfast.

Background/Analysis of Need

Although the breakfast program school and student participation rates continue to grow, Wisconsin must improve in both:

- School participation rates. The Food Research and Action Center's *School Breakfast Scorecard: 2005* ranked Wisconsin 50th in terms of school participation in the School Breakfast Program compared to participation in the National School Lunch Program. Only 50 percent of Wisconsin's schools that participate in the lunch program also participate in the breakfast program. The national average is 81 percent. In Wisconsin, there are 10 public school districts that do not have a lunch program.
- Student participation rates. All students have access to the school breakfast program if it is offered in their school, but many choose not to participate. The Food Research and Action Center's *School Breakfast Scorecard: 2005* ranked Wisconsin 51st in terms of free and reduced-price children participating in the School Breakfast Program compared to their participating in the National School Lunch Program. Only 26 percent of Wisconsin's children eligible for free and reduced-price meals that participate in the lunch program also participate in the breakfast program. The national average is 44 percent.

By allowing students who qualify for reduced-price breakfast to receive free breakfast, the department hopes to increase student participation in the program and to obtain some of the approximately \$12.9 million of foregone federal funds that would have been received with additional participation.

The federal School Breakfast Program (SBP) provides cash assistance to states to operate nonprofit breakfast programs in schools and residential childcare institutions. School breakfasts are available to all students.

Participating entities receive cash subsidies from the U.S. Department of Agriculture (USDA) for each meal they serve. In return, they must serve breakfasts that meet federal requirements, and they must offer free or reduced-price breakfasts to eligible children. Eligibility criteria, student costs, and USDA reimbursement rates for free and reduced- and full-price meals are as follows:

	Eligibility Criteria	Amount Student Pays	Amount USDA Reimburses Participating Entity
Free meals	Children from families with incomes at or below 130 percent of the federal poverty level	\$0.00	\$1.27 per meal
Reduced-price meals	Children from families with incomes between 130 percent and 185 percent of the poverty level are eligible for reduced-price meals	No more than 30 cents	97 cents per meal
Full-price meals	Children from families with incomes over 185 percent of the poverty level pay full price	Schools set their own prices for breakfasts served, though they must operate their meal services as non-profit programs.	23 cents per meal

Section 124 of The Child Nutrition and Women, Infants, and Children Reauthorization Act of 2004 authorized the Secretary of USDA to expand the service of free lunch and breakfast in five states by creating a pilot program which would increase the eligibility guidelines for free meals from 130 percent to 185 percent of the poverty guidelines. This would eliminate reduced-price meals. However, Congress has yet to appropriate funds for the pilot.

The State Superintendent supported this initiative in a September 4, 2004, letter to each representative and senator and asked that Wisconsin be one of the five pilot states. She stated, "The fee charged for participation in the reduced-price school lunch and breakfast programs is a significant barrier to participation for many working poor families. Elimination of the reduced-price category would result in free, nutritious meals for a greater number of Wisconsin school children."

Review of participation data indicates only one of six eligible reduced-price children actually eats breakfast through their school. Factors other than the 30 cent charge may explain why children are not eating. However, one of four students eligible for a free breakfast eats breakfast. Thus, elimination of the reduced charge may significantly increase breakfast participation for reduced-price children.

This request directly supports the Governor's KidsFirst initiative which proposes to increase school breakfast participation and indirectly supports the Governor's Healthy Kids initiative which proposes to guarantee the availability of school breakfast in every school in Wisconsin.

This request assumes that one-third of the eligible students would participate in the SBP (62,100 x 1/3 x 180 meals x \$.30 = \$1.1 million). It is assumed the amount of funding requested will be sufficient to pay for actual participants. If appropriated funds are insufficient, the department would prorate

payments. Participating entities would have to guarantee reduced-price children a free meal regardless of the possible proration of funds.

Statutory Language

The department is proposing statutory language related to this request. See *Eliminate Reduced-Price School Breakfast Fee* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6009 – FULLY FUND SCHOOL MILK PROGRAM

214 – Wisconsin school day milk program s. 20.255 (2) (cp)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$1,036,900	\$1,119,900
Less Base	\$710,600	\$710,600
Requested Change	\$326,300	\$409,300

Request/Objective

The department requests an increase of \$326,300 GPR in FY08 and \$409,300 GPR in FY09 to fully fund the Wisconsin school day milk program.

Background/Analysis of Need

Claims for reimbursement received under the Wisconsin school day milk program from public and private schools exceeded both the FY05 and FY06 appropriations as a result of units (pints of milk/juice) served combined with an increase in the cost per unit in FY04. It is assumed the FY07 appropriation level will also be exceeded. The department prorated claims by paying at 87 percent in FY05 and 80 percent in FY06. The appropriation has not been increased since FY01.

The Wisconsin morning milk program was created by 1987 Wisconsin Act 27 which specified the state would pay the cost of providing Wisconsin-produced milk each day to children enrolled in kindergarten to grade five classes and who were eligible for free lunch under the federal school lunch program. The statute was amended by 1991 Wisconsin Act 39 which expanded eligibility for morning milk to children enrolled in prekindergarten to grade five classes who are eligible for free or reduced-price lunches. These changes increased both the number of children and the number of schools participating in the program. The statute was again modified by 2001 Wisconsin Act 16 changing the title of the program from Wisconsin morning milk program to Wisconsin school day milk program.

More than 4.9 million one-half pint units of milk and juice were served in FY04. At a per unit cost of \$.1643, claims for FY04 (paid from the FY05 appropriation of \$710,600) were approximately \$811,200, resulting in aid proration at 87 percent.

More than 5.4 million one-half pint units of milk and juice were served in FY05. At a per unit cost of \$.1634, claims for FY05 (paid from the FY06 appropriation of \$710,600) were approximately \$889,000, resulting in aid proration at 80 percent.

The price per unit fluctuates within each fiscal year. The average price per unit increased from \$.1417 in FY03 to \$.1643 in FY04 (a 16 percent increase). However, the price dropped slightly in FY05.

Expenditures for the program rose an average of eight percent annually from FY02 to FY06, reflecting the net effect of price fluctuation and increased units served. In determining funding needs for the 2007-09 biennium, expenditures are anticipated to continue to increase by eight percent annually.

It is anticipated that the price per unit and program participation/claim expenses will continue to increase and participants will receive less reimbursement per unit served.

A history of the school day milk program appropriation, expenditures, units served and unit costs follows:

Fiscal Year	Appropriation	Expenditures	Units Served	Unit Cost
2002	\$710,600	\$597,300	4,501,916	.1515
2003	\$710,600	\$682,000	4,812,220	.1417
2004	\$710,600	\$682,000	4,938,195	.1643
2005	\$710,600	\$811,200	5,439,257	.1634
2006	\$710,600	\$889,000	n/a	n/a

A projection of the school day milk program appropriation and expenditures follows:

Fiscal Year	Appropriation	Expenditures	Difference
2007	\$710,600	\$960,100	\$249,500
2008	\$710,600	\$1,036,900	\$326,300
2009	\$710,600	\$1,119,900	\$409,300

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6010 – AMERICAN INDIAN EDUCATION

176 – American Indian studies; program operations

s. 20.255 (1) (kc) – New

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$60,000	\$40,000

Request/Objective

The department requests \$60,000 PR-S in FY08 and \$40,000 PR-S in FY09 to support a systematic study of the needs of American Indian students to identify critical concerns and possible interventions. The PR-S funding would come from tribal gaming revenues paid to the state.

Background/Analysis of Need

Wisconsin's public schools continue to struggle to serve American Indian students, particularly in those schools located on or near reservation communities. Disaggregated state level data from the Wisconsin Knowledge and Concepts Examination (WKCE) is only one measure that indicates American Indian students, as a subgroup, are not achieving academic success at the same rate as their non-Indian peers.

Complicating matters is the fact that most national research is of limited applicability because of the linguistic and cultural diversity among American Indian peoples. Schools are being held accountable based on subgroups, yet many schools and school districts lack the capacity to provide adequate services that are appropriate for American Indian learners. The issues faced by and the needs of American Indian students are sufficiently unique to merit a carefully designed plan of service developed for this population. This problem may be addressed by conducting a systematic study of the needs of American Indian students in Wisconsin by focusing on those school districts where the situation seems most acute and by implementing a plan of service based on those needs.

The national phenomenon known as the “cross-over effect” can be seen here in Wisconsin. The “cross-over effect” is when American Indian students perform as well or better than their peers in the lower grades but increasingly perform worse as they progress through school. The tables below show the performance in both absolute terms (percentage testing proficient or advanced) and relative terms (as compared to peers) and show a general downward trend in academic performance and increasing achievement gaps as students progress to the higher grades. The statistics were taken from the WKCE for the 2004-2005 school year.

Fourth Grade WKCE (% Proficient and Advanced)						
	# of students	Reading	Lang. Arts	Math	Science	Soc. Studies
American Indians	838	76	71	59	69	89
All Students	59,867	82	79	72	78	91

Eighth Grade (% Proficient and Advanced)						
	# of students	Reading	Lang. Arts	Math	Science	Soc. Studies
American Indians	1,053	76	46	55	57	70
All Students	68,061	85	65	73	73	83

Tenth Grade (% Proficient and Advanced)						
	# of students	Reading	Lang. Arts	Math	Science	Soc. Studies
American Indians	1,034	58	48	50	50	56
All Students	71,231	74	69	72	70	73

Existing reports provide valuable information but do not describe the situations behind the measures, nor do the reports tell how to improve the situation. These existing reports include the results of exercises conducted in April 2004 with teams from school districts serving critical masses of American Indian students; results of a similar process conducted with the Wisconsin Indian Education Association and Wisconsin Tribal Education Directors Association in October 2004; and a report entitled "Compiled Data on School Districts Serving Critical Masses of American Indian Students" based on data available in Wisconsin Information Network for Successful Schools (WINSS) as of fall 2005. WINSS does provide test scores, attendance, disciplinary information, graduation rates, drop-out rates, and other similar types of quantitative information. However, WINSS does not provide an explanation behind the numbers, such as model fidelity, correlation, causation, possible interventions, and obstacles to success.

The proposed needs assessment would move beyond data collected through informal workshops or through mechanisms reported in WINSS. The needs assessment would focus on the academic achievement and attainment levels, including achievement gaps, and relevant contributing factors of American Indian students. It would include any or all of the following:

- Onsite input from focus groups.
- Interview data.
- Quantitative data from district, state, and federal reports.
- Data gathered through classroom observation.
- Review of existing research literature.

The department proposes to contract with consultants in FY08 for an estimated \$60,000 to conduct the needs assessment as well as for advisors from up to 25 participating schools and other tribal educational departments. Potential partners include Learning Points Associates and the Wisconsin Center for Education Research. An internal committee would direct and supervise the work of contracted consultants and/or advisors. Several potential models exist for this needs assessment process, including one currently piloted by the Menominee Indian School District through the Statewide System of Support.

The department requests \$40,000 PR-S in the second year (FY09) of the biennium to focus on implementing a plan of service, based on the needs identified in the first year (FY08), through any or all of the following:

- Workshops and in-services based on identified needs of some or all participating districts.
- Joint quarterly professional development opportunities for district leaders.
- Development and maintenance of a dedicated website and listserv to facilitate ongoing collaboration.

Implementation will involve collaboration within districts, among participating districts, with department staff, and with outside consultants.

The results of these needs assessments, which would include needs common among the participating school districts as well as needs that might be unique to individual districts or schools, would be shared with all participating school districts and tribal communities at conferences and other venues. This would allow districts serving smaller numbers of American Indian students or those electing not to participate in the needs assessment process to derive some benefit from the results as well.

The American Indian studies program at the department exists primarily to assist with the implementation of curricular requirements in the areas of American Indian history, culture, and tribal sovereignty. Staff is currently comprised of 1.6 FTE, and duties include providing training and technical assistance to districts, developing and acquiring materials and resources to improve instruction, and maintaining contact with key committees and organizations. Current funding and staffing levels are insufficient to carry out this proposal successfully without additional resources.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6011 – SUPPORTING GIFTED AND TALENTED PUPILS

202 – Grants to support gifted and talented pupils

s. 20.255 (2) (fy)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$364,000	\$364,000
Less Base	\$182,000	\$182,000
Requested Change	\$182,000	\$182,000

Request/Objective

The department requests \$182,000 GPR annually in FY08 and FY09 to double the current gifted and talented grant program to benefit more schools and pupils in grades 5 to 8.

Background/Analysis of Need

Trends indicate that a significant number of pupils with exceptional abilities are either not identified or do not receive educational services which address their unique strengths and characteristics. It is estimated that 15 to 40 percent of high ability pupils are at risk for underachievement because schools do not meet their needs. This is particularly problematic in the late elementary and middle school years, leading to approximately one-quarter of high school dropouts being gifted and talented.

There is a misguided belief that gifted learners can maintain their abilities even when classroom instruction is restricted to the use of grade level concepts and materials. Too often it is believed that (1) gifted children can get by on their own, (2) intelligence is inherited and therefore does not change, and (3) one size instruction fits all students. The flexibility, choice, differentiation, and modification of curriculum needed for all children to experience continuous growth and intellectual progress are frequently seen as too difficult, unnecessary, and of questionable value. These ideas and beliefs combine to create circumstances that can put gifted children in our educational system at high levels of risk. Among those at risk academically and intellectually are the children living in the culture of poverty, a culture in which a child often lacks the resources and opportunities needed for optimal intellectual growth. Other gifted children at risk are those that have physical or learning disabilities. Too often, the attention of the family and the educational community is narrowly focused on enabling these children to cope with their disabilities rather than also recognizing and developing their gifts. Unfortunately, without continuous challenge at the level of their intellectual development, such abilities cannot grow optimally.

Of the more than one million pupils enrolled in Wisconsin's public and private schools in 2003-04, pupils with exceptional academic ability represent about 51,000 (five percent) of that total. Wisconsin state law (s. 118.35, Wis. Stats.) requires school districts to establish programs for these pupils, but the fiscal pressures facing many school districts has led a growing number of them to severely curtail or eliminate these programs.

To address this problem and help pupils receive the services they require, 2005 Wisconsin Act 25 established a grant program to support gifted and talented pupils in grades 5 to 8 (critical development years when programming is often not available). Although the program served more than 300 Wisconsin pupils in 80 school districts in 2005-06 by providing advanced coursework and other opportunities, there are large numbers of pupils who still require academic challenge. For instance, 19 of the 26 schools served by Cooperative Educational Service Agency (CESA) 8 were not able to participate in the program.

This budget request will expand the grant program to support the identification, innovative strategies and related activities in meeting the needs of additional pupils in grades 5 to 8 with exceptional abilities in the academic, creative, visual/performing arts, and leadership areas. The goals of the program are:

- To provide a statewide system to reach gifted and talented pupils in the areas of academics, creativity, visual/performance arts, and leadership in grades 5 to 8 with the education they need to maximize their potential.
- To create an environment that is academically, socially, and emotionally stimulating and supportive.
- To allow school districts to increase educational options for academically talented pupils by providing accelerated, enriched curriculum within the regular school day.
- To provide interdisciplinary learning opportunities that reflect what pupils will see in high school, college, and beyond.
- To replace pupils' regular curriculum with opportunities tailored to their learning needs.
- To provide opportunity for teachers to develop online teaching skills.
- To create shared program offerings building on teacher expertise.
- To build a cost effective model for addressing the needs of gifted and talented pupils.

The current program provides \$14,000 grants to the 12 CESAs and Milwaukee Public Schools. Under this proposal, each participating agency would receive an additional \$14,000, for a total of \$28,000 each.

Statutory Language

The department is not proposing statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6012 – EXPANDING ACCESS TO SCHOOL HEALTH SERVICES

101 – General program operations

s. 20.255 (1) (a)

284 – Grants for school health services

s. 20.255 (2) (fa) – New

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
State Operations	\$75,000	\$75,000
Grants	\$925,000	\$925,000
Total Request	\$1,000,000	\$1,000,000

Request/Objective

The department requests \$925,000 GPR annually in FY08 and FY09 to award grants to public school districts to improve student access to school nurses. The grants will provide approximately 15 FTE school nurse positions at \$60,000 or may be used to provide additional nursing services to schools statewide. In addition, the department requests \$75,000 GPR annually in FY08 and FY09 to administer and evaluate the grant program and to provide professional development activities to new and currently practicing school nurses in the school districts.

Background/Analysis of Need

Much of the focus of the current school reform movement to improve the scholastic achievement of students has been on implementing new standards, curriculum, teaching techniques and other practices that focus directly on academics. However, too many students come to school with a variety of health-related problems that make successful learning difficult. Children who come to school hungry, are absent due to asthma or other ailments, suffer from other chronic diseases, are depressed or distracted by family problems cannot benefit as much from an educational program. Children from poverty often do not have access to health care or adequate nutrition, compounding the issue. In order to continue improving students' academic achievement, attention must be directed toward removing health-related behavioral and environmental barriers to learning.

Growing numbers of students today have health conditions that affect their school attendance and performance. Nationally, 18 percent of children and adolescents have a disability and 24 to 32 percent have a chronic health condition. Some suggest that, at present in the United States, one child in four is at risk of failure in school because of social, emotional or health handicaps.

Many of the health challenges facing young people today are different from those of past decades, putting added pressure on school health programs to improve the health status of young people. Over the past 30 years, the rate of obesity in the United States has more than doubled for preschoolers and adolescents, and it has more than tripled for children ages six to eleven (Mayo Clinic). An increasing number of children and adolescents are developing Type 2 diabetes, a disease usually diagnosed in adults aged 40 years and older. Asthma is the leading cause of school absences and hospital admissions of children.

Healthcare for children has become more aggressive in the past ten years with advances in diagnostic procedures, drug management, and medical and surgical interventions. As the length of hospital stays shorten, school health staff are asked to provide services to students recovering from surgery, acute illnesses and injuries. As students enter school districts with complex medical problems and chronic illnesses, they continue to need medication and nursing procedures during the school day, on school

sponsored field trips, and in after-school programs. Physicians and other health care providers need the involvement of school health services to manage chronic illnesses optimally as well as to ensure compliance with medication and treatment regimes.

Medication management continues to be a challenge in schools. The Institute of Medicine has consistently reported that medication error is the most common and significant cause of error at every level of healthcare. A survey of 600 Iowa school nurses was conducted in 2001, and half the nurses reported medical errors at their school in the past year, mostly related to medication administration. Only 25 percent of the Iowa nurses indicated they were the only individuals distributing medication. The remaining medication was dispensed by secretaries or aides.

According to a Waukesha School Board report, medication administration incidents during the 2005-06 school year were four times as common as what had been reported the previous school year. District officials attributed the increase to districtwide cutbacks in nursing (eliminating one of two registered nurse positions) and health room services (reducing health aide positions by half) and shifting tasks to secretarial staff.

According to s. 441, Wis. Stats., when districts have children that require a healthcare procedure during school hours, the procedure can only legally be done by a licensed healthcare provider or delegated by the healthcare provider to an unlicensed staff person. Schools will sometimes have staff learn how to do a procedure from a parent, and then those medically unlicensed staff will perform the procedure with no supervision of their clinical skills by a licensed healthcare provider. Parents may have been instructed to provide care to their child, but parents cannot instruct school staff nor can unlicensed staff independently perform a health procedure as doing so would be considered the practice of nursing without a license. Not only is the child at risk for unsafe care; the district is in a position of liability.

School health services provide access to preventive services, emergency care, management of acute and chronic health conditions, and referral to appropriate providers. School nurses prevent, intervene, and eliminate barriers to learning resulting in greater student academic success. The roles and responsibilities of a school nurse are broad ranging and include health assessment of students, case management for students with specific health needs, health counseling, health education, health screenings, and communicable disease prevention and control.

School health programs can be cost effective both in terms of dollars and student health.

- In Milwaukee, the nurse to student ratio is 1 to 5,800. In 2003, this ratio was 1 nurse to 8,500 students. The additional school nurses hired since 2003 have been credited with increasing attendance in the middle schools where there is the highest concentration of school nurse and school nurse associates. For instance, there was a decrease in absence attributable to lice infestation in one school. Prior to a school nurse intervention, 71 students had a total of 136 occurrences which accounted for 681 missed days. The average number of days missed that year due just to head lice was 9.59 per student. The 9.59 missed days per student was cut to less than two days with nursing intervention. In another school, immunization compliance went from 40 percent to 66 percent when a nurse was hired to focus on immunization issues.
- A school based hepatitis-B vaccination program costs \$31 per dose. The same vaccination provided by an HMO costs \$68 (this doesn't include the cost to the parent for lost work time and transportation).
- The school food and nutrition team report that it is often the school nurse that is the catalyst to establish a school breakfast program.
- School nurses serve as a professional link with physicians and to community resources such as Medicaid and BadgerCare.

- A study of 22 schools enrolling over 10,000 students found that a full-time nurse reduces the number of students who leave school because of medical complaints.
- School nursing interventions that targeted students with histories of high rates of absenteeism proved effective in decreasing the number of days absent from school.
- A school nurse's teaching of hand-washing skills in an elementary school led to a decrease in absenteeism due to illness.
- Students whose parents had received personal phone calls from the school nurse were more adequately immunized than students whose parents only received a flyer with information.
- One study found that in school districts with smaller nurse-to-student ratios, there were fewer violent deaths among teens, fewer teen births, and increased high school graduation rates.
- A study of two middle schools in Florida which had adopted the Florida Department of Education's Coordinated School Health Program to promote student health and academic achievement reported that the Florida Comprehensive Assessment Test (FCAT) math scores improved by an average of 11.5 points and their FCAT reading scores by an average of 15 points. Student attendance also increased at each school (National Governors Association).

There are approximately 530 nurses working part- or full-time in Wisconsin's 425 school districts. Of the 530, 140 are public health nurses. The National Association of School Nurses recommends a ratio of one nurse to every 750 students in the general population, one nurse to every 225 students with special needs, and one nurse to every 125 students in the more severely chronically ill or disabled population. These ratios are also recommended by the American Academy of Pediatrics, the National Association of State School Nurse Consultants and are a goal within Wisconsin's state health plan, *Healthy People 2010*.

Actual ratios of nurses to students and student needs vary greatly for each school district, for instance:

- In Waukesha, the nurse to student ratio is 1 to 13,318. The clinical picture of the number and types of services required are similar to Madison.
- In Oshkosh, the nurse to student ratio is 1 to 2,574. There are 2,603 students out of a total population of 10,295 who have chronic illnesses. Fifty-seven students require daily health procedures.
- In Kimberly, the nurse to student ratio is 1 to 1,704. From FY01 to FY06, the number of children with asthma went from 160 to 380, and there has been a 30 percent increase in students with a life threatening allergy.
- In Wisconsin Dells, the nurse to student ratio is 1 to 1,712. The district nurse is currently serving 265 students with health conditions requiring some type of health service.

Other statistics regarding the nursing needs of school districts include:

- East Troy has a student population of 1,718 of which 277 have special health care needs.
- Spring Valley has a student population of 762 of which 5 have diabetes requiring daily nursing interventions and 30 with asthma.
- Racine has a middle school with 958 students of which 188 have known medical conditions. The school nurse provides health procedures to three students with gastrostomy tube feedings, a

student with a tracheotomy, a student with a colostomy, a student needing bladder catheterization, and several students who need suctioning.

Poor school nurse to student ratios are compounded by part-time nurses needing to cover several schools within a district stretched over several miles or full-time nurses having to cover two or three school districts. Further, rural school districts in the southwest and northwest parts of the state are served primarily by public health departments. The services of all statewide public health agencies have transitioned from providing direct services to that of health education, consultation, and advocacy for change in health policy for large populations. Because public health no longer provides direct nursing services, districts have needed to hire someone or contract for nursing services. This is a burden on the school for several reasons. It is difficult to hire someone who will commit to working for limited hours, and contracting with an agency for this type of service is very costly.

Under s. 121.02 (1) (g), Wis. Stats., school districts are required to provide for emergency nursing services. Although most school districts have the required policies and protocols as to how to deal with an emergency, the health services needs are beyond just preparation for emergencies. In addition, the actual availability of school nurses on-site is restricted in some schools due to limited funding and revenue caps.

Proposal

This proposal would provide \$1 million annually in new GPR to support the expansion of school nurses or nursing services in public school districts. The funds would be used as follows:

- \$925,000 would be available annually as a competitive grant for school districts with the highest needs. Such needs may include the number of economically disadvantaged pupils in the school, high rates of chronic health problems, the complexity of health needs, lack of access to school nurses, and a large ratio of nurses to students. These funds would support 15 FTE school nurse positions at \$60,000 or could be used for other nursing services. Schools would use funds to expand nursing capacity. Funds may not be used to hire or contract for health services to replace existing staff or to supplant existing services. Schools receiving funds would be required to collect data to determine outcomes of increased nursing services.
- \$75,000 would be used by the department to evaluate the program and to provide training, technical assistance, and professional development to schools and nurses in preparing school health programs. Department staff would focus on:
 - a. Providing training to new school nurses. The majority of nurses working in Wisconsin schools have no prior school nursing experience when hired or contracted. Funds would be used to purchase and develop training materials, including trainings that nurses could access at any time for timely information. Periodic face-to-face sessions for skill building, ongoing mentoring and support by more seasoned nurses would also be provided.
 - b. Developing leadership skills of currently practicing school nurses. Experienced school nurses have a wealth of knowledge that, if better shared, would not only enhance the skills of new nurses but would also better inform school administrators about school health services. Because of the isolation and autonomy of a school nurse, few have the opportunity to develop or share their leadership skills. Funds would be used to develop and conduct an annual school nurse leadership institute patterned after successful programs in Indiana and Washington. The goal of the institute would be to increase leadership knowledge and skills of identified school nurse leaders in order to establish a group of nurse trainers and mentors.
 - c. Developing a program evaluation system. This would assess the effectiveness of the school nursing services in meeting student needs, and of the orientation and leadership development activities in meeting the needs of school nurses.

Statutory Language

The department is proposing statutory language related to this request. See *Expanding Access to School Health Services* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6013 – BEFORE AND AFTER SCHOOL LEARNING OPPORTUNITIES

101 – General program operations

s. 20.255 (1) (a)

279 – Grants for before and after school learning opportunities

s. 20.255 (2) (dp) – New

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
State Operations	\$0	\$250,000 1.0 FTE
Grants	\$0	\$4,750,000
Total Request	\$0	\$5,000,000

Request/Objective

The department requests \$4,750,000 GPR in FY09 to award grants to public schools, community organizations, and local units of government to support and expand extended learning opportunities (before and after school programs). In addition, the department requests \$250,000 GPR and 1.0 FTE in FY09 to fund a consultant position to administer the grant in this request, provide technical assistance and provide training to ensure student outcomes and parent satisfaction.

Background/Analysis of Need

Effective extended learning opportunities can offer numerous benefits to students, such as:

- A safe, supportive and developmentally appropriate learning environment before and after school.

Families led by single parents and two parents with full-time jobs are increasingly common, resulting in less family supervision in the critical after school hours. With more working families, more children are left unsupervised when they get home from school. In Wisconsin:

- More than one-third of Wisconsin children of working families are unsupervised in the afternoons.
- Nine percent of Wisconsin children in working families participate in after school programs, while 34 percent of children in working families are “latchkey children” with no adult supervision when they come home from school.
- Twenty-two percent of all children not in after school programs would be likely to participate in an after school program if available in the community.

Children left unsupervised between the hours of 3 p.m. and 6 p.m. are at greater risk of:

- Receiving poor grades.
- Displaying behavior problems.
- Using drugs, alcohol, or tobacco.
- Committing crimes and participating in other high-risk behavior.

- Being the victim of a crime. The peak hour for juvenile crime is from 3 p.m. to 4 p.m., the first hour that most students are dismissed from school.

According to USA's *After school for America's Teens* report, teens who do not participate in after school programs are nearly three times more likely to skip classes at school than teens who do participate. They are also three times more likely to use marijuana or other drugs, and they are more likely to drink alcohol, smoke cigarettes and engage in sexual activity.

In a University of Wisconsin study of 64 after school programs, a full third of the school principals that had after school program sites claimed that vandalism at the school had decreased as a result of the programs.

- Opportunities for building skills that enhance learning and close the achievement gap. Students can better retain and even enhance what they are learning in the classroom each day when the after school program provides organized enrichment activities that link to the school-day curriculum.

The department's *21st Century Community Learning Centers (CLCs) Executive Summary, 2004-05*, documents success in helping to close the achievement gap. The Wisconsin CLCs typically recruit students with the highest needs of academic support. Of the regular attendees in 2004-05, 80 percent were economically disadvantaged, 76 percent were students of color, and 11 percent were English Language Learners. For regular attendees, teacher surveys and grade reports indicated the following:

- 69 percent improved academic achievement.
- 47 percent increased reading grades by one-half grade or more.
- 44 percent increased math grades by one-half grade or more.
- 68 percent improved in completing homework satisfactorily.
- 54 percent improved in behaving well in class.
- 51 percent improved in volunteering for extra credit or responsibility.
- 45 percent improved in attending class regularly.

Specifically, Milwaukee Public Schools' CLCs reported the following results:

- In grades 2 through 8, a greater average percentage of CLC regular attendees achieved proficiency in reading (47.2 percent) and math (22.8 percent) as compared to non-attendees in schools with CLCs.
- For middle and high school students, a greater average percentage of regular CLC attendees (37.4 percent) increased their annual GPA compared to non-attendees (25.8 percent), and a lower percentage showed a decrease in their GPA (30.8 percent compared to 41.2 percent for non-attendees).
- A greater percentage of regular CLC attendees (54.9 percent) have high school day attendance (ten or fewer absences) for the year compared to their peers from the same schools who do not attend CLCs (37.7 percent).
- A chance to experience new activities in arts, culture, life skills, and recreation. Through after school programs, children from low-income families are afforded enrichment opportunities such as art, theater, and music in which they might not otherwise be able to participate. These programs

help children find undiscovered talents and interests, while strengthening their self-esteem and enabling them to be more successful in achieving long-term goals.

- Opportunities to belong and be part of a community. Parental and community involvement is encouraged and enhanced. Many after school programs depend on and draw upon parent and community volunteers. When families are involved in schools, students experience greater success.
- Opportunities to build strong relationships and connections with peers. Students can work together and learn in smaller group sizes.
- A place to practice developing language skills. English language learners can obtain additional support through after school programs and experience more opportunities to learn and use English in an educational setting.

Several reports, polls and surveys show the need for and benefit of providing after school programs. For instance:

- The National Governors Association issued a policy statement supporting extended learning opportunities. The 2005 *Governor's Guide to Extended Learning Opportunities* highlights the benefits of before and after school programs to students, schools, families and communities. It emphasizes the value of extended learning programs in reaching a variety of state goals in student achievement, overall development, health and community safety.
- The Council of Chief State School Officers (CCSSO) issued a 2006 policy statement supporting extended learning opportunities as an effective means to “increase student achievement, offset summer learning loss, reduce the incidence of risk-taking, negative and unsafe behaviors, and increase student engagement.” Among its recommendations for state education agencies (SEAs) was “support the establishment of a dedicated line item for state-administered extended learning programs.” They conclude: “Extending and expanding learning opportunities within the school day and during out-of-school hours should be a part of a comprehensive strategy to ensure that every child, regardless of race, ethnicity or income, has access to a high quality education.” CCSSO recognizes supporting publicly-funded extended learning opportunities is a basic access equity issue for economically disadvantaged students.
- *The Wisconsin School Finance Adequacy Report* draft prepared by UW-Madison and Wisconsin Center for Education Research staff, state that beginning in elementary school and particularly in secondary schools, extended learning opportunity programs might be necessary for some students. The report suggests resources should be used to provide students in all elementary grades and in secondary schools with additional help—during the school year but after the normal school day—to meet academic performance standards. This report and its recommendations are not final yet.
- The Afterschool Alliance’s *Afterschool Alert Poll Report*, (taken from a survey of 800 adults, 18 years or older, who are registered to vote) shows the following:
 - Ninety-two percent say that there should be some type of organized activity or place for children and teens to go after school every day.
 - Two-thirds believe that federal and/or state tax dollars should be used to expand daily after school programs and to make them accessible for all children.
 - This support is based in part on the public’s recognition that the three-hour difference between children’s school days and their parents’ workdays presents significant problems for young people, families and communities.

- Nationally, nearly two-thirds of voters report difficulty in finding quality, affordable programs (Mott/JCPenney Poll, 2000). Twice as many elementary and middle school parents want after school programs as are currently available (National Opinion Research Center, August 1998). The challenges in Wisconsin are equally profound.
- A report from the U.S. Department of Education on the 21st Century CLC, *Providing Quality Afterschool Learning Opportunities for America's Families*, states that children and youth who regularly attend high quality after school programs have better grades and conduct in school, more academic and enrichment opportunities, and better peer relations and emotional adjustment.
- Dr. Beth M. Miller, a senior research advisor to the National Institute of Out of School Time at the Center for Research on Women at Wellesley College, has reported that quality after school programs can markedly increase engagement in learning by providing students with opportunities for personal attention from adults, a peer group with positive aspirations, and hands-on activities that hold students' interest and develop their skills and sense of competence.
- Surveys done for the After School Corporation (TASC) suggest that students in after school programs are more likely to finish their homework, read, use computers and feel comfortable solving math problems, while their parents report being able to work more hours and develop closer relationships with the children's schools.
- According to the report, *Assessing Afterschool Programs as Context for Youth Development*, of parents surveyed who had children enrolled in a range of different types of after school programs, 80 to 90 percent believed that their children acquired new skills and became more confident learners as a result of their involvement in the programs.
- A University of Wisconsin study of 64 after school programs found that teachers reported these programs promoted better behavior and improved academic performance of participants. "There's definitely a strong link between student academic performance and social activities like afterschool programs," says Sandy Gunderson, principal of Mendota Elementary in Madison, WI. "Research shows that kids who are engaged and have opportunities to extend their time in school through clubs and activities generally do better in school because they want to come to school, and they feel part of the community."

Federal funds for after school programs are provided under the Elementary and Secondary Education Act, 21st Century CLC Program. In FY01, the federal program provided \$28 million annually to Wisconsin school districts to support after school programs. Funding has steadily decreased dropping to \$11.8 million in FY07. The funds support centers that primarily serve students from schools that have at least 40 percent of their students from low-income families (defined as qualifying for free or reduced-price lunch). This program serves approximately 17,000 students in 116 schools predominantly in urban and suburban areas in Wisconsin. Demand for CLC grants far exceeds the funds available. In FY04, the last year of a statewide competition, more than 100 projects were unfunded even though the competition was limited to only schools with a high proportion of economically disadvantaged students.

The purpose of the federal CLC program is to create CLCs that provide students with academic enrichment opportunities as well as additional activities designed to complement their regular academic program. CLCs provide high quality services to support student learning and development, including tutoring and mentoring, homework help, academic enrichment, community service opportunities, healthy snacks, and music, arts, sports, and cultural activities.

CLCs offer families of participating students literacy and related educational development and help working parents by providing a safe environment for students when school is not in session. CLCs can be located in elementary schools, secondary schools, or other accessible facilities.

Beginning in FY09, this request would provide \$4,750,000 GPR in new categorical aids for the purpose of awarding grants to support and expand extended learning opportunity programs. This amount is requested, in part, to replace some of the \$16.2 million lost in federal funds since FY01 under the 21st Century CLC grant and to partially meet the high current demand. It would provide up to 50 additional centers offering before and after school programs serving a high proportion of economically disadvantaged students. The allocation per center would be approximately \$95,000.

Program requirements and options are proposed as follows:

- Public schools, community organizations, and local units of government can apply for the grants.
- A partnership between one or more schools and one or more community organizations is required. Applicants must collaborate with other community partners including, but not limited to, the following: public and nonprofit agencies and organizations, child care providers, local and county units of government, faith-based organizations, businesses, educational entities (such as vocational education programs, school-to-work programs, community colleges and universities), recreational programs, cultural programs, and other community service entities. Priority will be given to applicants with collaborative, community-wide needs assessment, planning and development processes.
- Applicants must provide a 20 percent cash match or in-kind contribution.
- Extended learning opportunity programs will serve school-age children and youth in non-school hours.
- Extended learning opportunity programs will enhance academic achievement and enrichment and positive youth development. To achieve these goals, the program will provide a well-balanced and diverse set of program activities, such as a safe and supportive environment; nutritious snacks and/or meals; physical activity; academic services such as tutoring and group instruction in reading, math, science, service learning, social studies/civic education, visual and performing arts, career and technical education, and financial education; extended library access; youth development programs to support social and emotional learning, youth leadership, prevention of drug use and violence, and related issues. Family involvement will be an essential component to assure the services are appropriate and meeting needs.
- Priority shall be given to programs serving schools that have 30 percent of their student population eligible for free or reduced-price lunch or the equivalent. Next, priority will be given to programs that serve students with academic and behavioral needs.
- Programs will include components of a high quality before or after school program as confirmed by research.
- Programs will take part in a systematic statewide evaluation to demonstrate results and use those to improve the program.

Five percent of the funds (\$250,000) will be set aside for the department to fund a 1.0 FTE education consultant position and to administer the program. It is assumed the position will begin July 1, 2008, at a cost of \$92,100 annually.

In addition to department staff, the administrative funds would support contracts for the following training and technical assistance activities: two statewide conferences per year, a week-long summer training institute, regional training workshops, the statewide after school network, regional networking sessions, distance education workshops, development of technical documents, and on-site consultation and mentoring. It would also cover implementation of a systematic evaluation of program delivery, student outcomes, and student and parent satisfaction.

This proposal is consistent with the *Governor's Task Force on Educational Excellence 2004 Report* that recommended a state categorical aid program be provided to high poverty schools in both rural and urban areas for before and after school programs meeting specific criteria. However, no funding amount was specified only that "the costs associated with this item will depend on the number of schools and students who would participate in such programs, and the level of state and local contributions expected."

The Governor is part of the Wisconsin After-School Network which advocates for after school funding. The Governor led, with the State Superintendent and First Lady, a 2006 Governor's Summit on After-School Programs. In his keynote address, he articulated the value of after school programs and called for their expansion. Governor's staff has met with department staff to discuss this proposal. The Governor's staff actively contributed ideas to this proposal.

In 2005-06, the State Superintendent directed department staff to form a statewide network supporting after school programs and seek funding from the Charles Stewart Mott Foundation. The primary purpose of the network is to advocate for additional funding for after school programs. As a result, this network has galvanized support for after school programs from a wide variety of partners including the Wisconsin Education Association Council, Parent Teacher Association, Wisconsin Association of School District Administrators, UW-Extension, Department of Workforce Development, Wisconsin Council on Children and Families, and community-based organizations. These organizations visibly support after school programs and may be effective partners in advocating for funding.

Statutory Language

The department is proposing statutory language related to this request. See *Before and After School Learning Opportunities* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6014 – ENHANCING PK-16 COUNCILS

285 – Grants to PK-16 councils

s. 20.255 (2) (dc) – New

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$385,000	\$385,000

Request/Objective

The department requests \$385,000 GPR in both FY08 and FY09 to strengthen the existing UW System regional PK-16 efforts started in 2001. Funding would be split as follows:

- \$325,000 each year for grants to regional PK-16 councils, with specific membership and duties related to receipt of the grant.
- \$60,000 each year for four regional “Efficiency Through Collaboration” grants of up to \$15,000 each.

Background/Analysis of Need

Despite the existence of both a statewide PK-16 council and a 2001 University of Wisconsin (UW) Board of Regents (BOR) resolution directing the creation of PK-16 efforts at each four-year campus, there remains a need to energize and make more robust these existing efforts. The existing regional efforts are widely varied in their membership, programs, goals and vitality.

A new focus on expanded PK-16 efforts is needed to assure that all members of the state’s PK-16 education system are working together on a regional basis to: (1) improve coordination; (2) leverage each other’s expertise and resources to best manage strained budgets; (3) raise student achievement and close the achievement gap; and (4) work toward assuring the state’s economic future through increasing the number of high school graduates prepared for work and higher education.

The Wisconsin PK-16 Leadership Council was formed in 2001 as a joint proposal of the State Superintendent and the president of the UW System, the Wisconsin Technical College System (WTCS) and the Wisconsin Association of Independent Colleges and Universities (WAICU). The four founders serve as sponsors and co-chairs.

The mission of this voluntary statewide council is “to foster collaboration among the four sectors of education and to work in partnership with business, industry and government to enhance learning and learning opportunities throughout the state so that all students are prepared to live in and contribute to a vibrant 21st Century society.”

Similarly, in June 2001, the UW System BOR passed the following resolution:

The Board of Regents adopts the PK-16 Principles directing each UW System Chancellor to work collaboratively with PK-12 and other postsecondary education leaders to develop a well-articulated plan for achieving local quality PK-16 education; and to report plans, initiatives and achievements to the Board in June 2002.

All 13 UW System four-year campuses established some kind of PK-16 effort in response to the 2001 Regents resolution.

Having strong regional PK-16 councils play an important role in supporting the Governor's "Grow Wisconsin" agenda and proposed Wisconsin Covenant, as well UW System President Reilly's "Growth Agenda". Effective collaboration across the PK-16 spectrum is critical to raising student achievement, closing the achievement gap, increasing graduation rates at the PK-12, technical college and university levels, and thereby ensuring a highly-skilled 21st century workforce.

UW System Academic and Student Services (ACSS) has identified PK-16 as a major priority, with an emphasis on higher education and PK-12 schools as components of an interdependent educational system. ACSS wishes to work collaboratively with educational partners in Wisconsin, including faculty and administrators from PK-12 schools throughout the state.

Proposal

The department would provide two separate grants under this proposal: (1) annual grants of at least \$25,000 to eligible UW System campuses to support existing regional PK-16 groups and efforts [\$325,000 total]; and (2) \$60,000 annually for four "Efficiency Through Collaboration" grants of up to \$15,000 each.

To be eligible for a grant, a UW System campus, on behalf of its regional PK-16 council and efforts, must apply and demonstrate the following:

- Broad membership from (in addition to the UW campus): a WTCS school, a WAICU member, a Cooperative Educational Service Agency (CESA), PK-12 districts, the business community, local government (including tribal), legislators, teachers' union and local or regional workforce development entities.
- Senior leadership from the members, such as UW Chancellor's office, WTCS president, PK-12 superintendent, CESA administrator, WAICU president or chief academic officer, etc.
- A description of proposed efforts to strengthen and formalize the network of PK-16 entities in their region.

Examples of this kind of PK-16 membership structure can be found in the West Central Wisconsin Regional Education Consortium and the Milwaukee Partnership Academy.

In addition to the current efforts of the PK-16 councils surrounding teacher preparation and quality training, eligible activities for the regional PK-16 council under the grant will be:

- Collecting and using regional data (education, census, and otherwise) to make recommendations for raising student achievement, closing the achievement gap, and establishing career pathways for students by examining:
 - Student achievement trends.
 - Postsecondary intentions and enrollment.
 - Educational best practices to improve achievement.
 - Workforce readiness and development needs.
- Submitting a summary of the regional data analysis to the department.

Individual or combined UW System campuses would be eligible to apply for the grants on behalf of their PK-16 councils/efforts. The campus(es) and PK-16 efforts would need to comply with the membership

and expectations of the grant as listed above. A campus applicant will need to select at least one of the priority areas listed above as its focus, explain why this is most relevant to their region and what the expected outcomes of their work will be.

The second part of the proposal would be “Efficiency Through Collaboration” grants. There would be up to four competitive grants of up to \$15,000 each awarded each year, the purpose of which is to fund efficiency studies among the PK-16 entities in the region. Again, the 13 UW campuses would be eligible to apply on behalf of their regional PK-16 councils/efforts.

These efficiency grants are proposed in response to the impact of PK-12 revenue limits and the need for public schools to look for ways to both save costs and retain important programs. These grants may be particularly helpful for smaller, rural PK-12 districts. Some of the possible efficiency efforts could include:

- Coordination of programs leading to greater student access of advanced or specialized coursework.
- Joint provision of special education services.
- Coordination of professional development.
- Leveraging distance education facilities among both PK-12, WTCS and UW locations.

The grant would be paid to the UW campus and PK-16 council, but it is expected that the PK-12 community would lead the study within the PK-16 council, and would involve all partners in looking for efficiencies and opportunities for resource sharing.

Grantees would be required to submit a final report to the department describing the outcomes from the efficiency study and plans for implementation.

The department will promulgate administrative rules for awarding both grants.

Statutory Language

The department is proposing statutory language related to this request. See *Enhancing PK-16 Councils* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 6015 – ONLINE LEARNING: PROMOTING QUALITY

101 – General program operations

s. 20.255 (1) (a)

303 – Online learning professional development

s. 20.255 (3) (ds) – New

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Operations	\$24,000	\$19,500
Aids	\$25,000	\$25,000
Total	\$49,000	\$44,500

Request/Objective

The department requests \$49,000 GPR in FY08 and \$44,500 GPR in FY09 to enhance the quality of online learning in the state.

Background/Analysis of Need

With the recent rapid growth in online/distance education offerings, including virtual schools/education, there is a statewide need to strengthen the quality of online and distance education classes. This can be done by providing support to virtual and traditional schools to ensure that online resources are of high quality, that online courses are taught by qualified teachers, and that the successful implementation of distance education is available equitably around the state.

Online learning is a mode of communication and learning that is able to get highly individualized and specific resources and courses to both student and teachers. Students may take advanced, remedial, or special interest courses not offered in their schools. Perhaps the biggest promise is allowing the regular classroom teacher to prescribe individualized curricular content as needed by particular students to promote student achievement and cater to individual student interests. This mode of communication, of course, is not limited to students. It provides another cost-effective method for professional development of educators.

This proposal has three components: high-quality courses/resources, quality online instruction and equitable statewide implementation.

High Quality Courses/Resources

The department proposes to develop and disseminate a course quality checklist that schools can use in evaluating online courses. It could include such factors as the qualifications and availability of instructors, the level of interactivity, the match of the course content with district curriculum and state standards, etc. This could be done in a format similar to the department's "Guide for Evaluating Internet Resource Contracts."

There have been several course evaluation rubrics done already. However, this one would be specific to Wisconsin student standards, teacher standards, statutes, and administrative rules. While outside input would be essential, this is mainly department staff time and dissemination. In addition to staff time, three or four external meetings at roughly \$1,500 per meeting (\$4,500 total) are likely to be required in FY08.

The department also proposes to work with the Wisconsin Collaborative Online Network (WCON) to identify quality resources and maintain a web listing of them. WCON is a group initially started with a

state TEACH grant to Cooperative Educational Service Agency (CESA) 9. That grant has expired but the group continues to work and meet as an online education users group. As a part of the grant the group created a website at <http://www.wcon.info>, but their funding is limited.

The department gets numerous phone calls from parents requesting information on virtual schools and online learning. The department website currently duplicates much of the information on the WCON site, but both sites are constantly in jeopardy of being out of date. The department could host or provide support for the WCON website. WCON could assist in keeping the information on virtual resources for schools up to date. This could also be a portal for online learning resources. By having WCON as the site “owner,” online experts would be vetting the resources. The estimated annual cost to support the WCON website is \$10,000, plus some department information technology staff time.

Quality Online Instruction

Learning Point Associates (LPA) has developed an Online Teaching Facilitation Course (OTFC) designed to provide K-12 teachers with the skills necessary to teach online. The online six-week course requires 10–15 hours per week. It was piloted in Wisconsin as well as Minnesota with good reviews.

According to LPA, the course cost is \$500 per participant with a group size of 12 to 15 needed to conduct a course. Course licensing for subsequent use can be negotiated. LPA has a contract with the Maryland Department of Education to license this course within their state.

LPA requires that the OTFC teachers be certified by having taken the course. Because the course was piloted in Wisconsin, there are teachers available here. These teachers would have to be paid, but this could be done by charging course participants a fee. See <http://www.learningpt.org/page.php?pageID=141> for a full description of the OTFC.

Currently, Wisconsin Virtual School, Kiel eSchool, Appleton eSchool and Digital Districts Online have worked out their own agreements with LPA and negotiations are underway with Cardinal Stritch University. To encourage proper training for online teachers, the department proposes to subsidize a portion of the cost if these schools would open their OTFC classes to teachers from other schools. The licensing cost to these programs from LPA is \$100 per seat. Either the program or the teacher pays the cost for paying the facilitators. Thus if 250 teachers would take this course in a year, it would cost the department \$25,000 to pick up the licensing costs from LPA. This level of funding is included in this request.

Equitable Statewide Implementation

The department also proposes to provide a tool to guidance counselors that assesses how likely a student is to be successful in an online course and a follow-up module to improve the likelihood of success if needed.

Online courses are not for everyone. LPA has developed a survey that will assess student awareness and preparation and will indicate the likelihood of success for students considering virtual courses. It will identify those students with a high probability for success, and those students inclined to struggle. A self-paced tutorial is available for improving the success of students showing a low probability of predicted success on the survey. Current pricing information for a volume contract would be \$2 per student for the assessment, and \$5 per student for the tutorial. These tools would be very useful to guidance counselors. At the current pricing, the department could offer the assessment to 1,500 students and the module to 1,000 students annually for \$8,000.

This initiative would require access to the assessment and training for guidance counselors and possibly administrators in its use. This would have to be a collaborative effort with the department's guidance consultant and LPA. Training for guidance counselors/administrators might be done at conferences or be funded by districts. Costs of the staff time must also be considered. A train-the-

trainer approach might be most effective with LPA providing initial training to some department and CESA personnel, and some leaders in guidance and counseling.

There is also a need to provide objective, accurate information about online learning and virtual schools to better inform parents on the advantages and disadvantages of online learning. This is proposed to be done as a brochure that provides some basics and links to more information on the Internet. The department proposes to fund a grant of \$1,500 to an organization like WCON to put the content together and then print through the state printing process. The printed copies could serve as promotion for guidance counselors and administrators; but rely on a PDF version on the Internet for the main distribution to parents.

Summary of Request

- Provide course quality checklist (\$4,500 in FY08 only).
- Provide Internet online-teaching resources through WCON (\$10,000 annually).
- Provide OTFC course subsidy for 250 teachers (\$25,000 annually).
- Pay for student assessment and tutorial online module (\$8,000 annually).
- Provide online education brochure for parents through WCON (\$1,500 annually).

For the last several years, a position that included some responsibilities for distance education has been funded by federal Title II D (Education Technology) of the No Child Left Behind Act. That program was cut 27 percent in FY05, cut another 50 percent in FY06, and is proposed to be zeroed out in both the President's and House of Representative's proposed 2007 federal budget. The department position which supported distance education (as well as E-rate) has been eliminated because of this funding loss. In order to both support the ongoing programmatic needs for distance education and to coordinate the online initiatives under this request, the department is looking to re-establish the lost position using other agency fund sources.

Statutory Language

The department is proposing statutory language related to this request. See *Online Learning: Promoting Quality* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7001 – PROGRAM REVENUE REESTIMATES

**122 – Personnel licensure, teacher supply, information and analysis and teacher improvement
s. 20.255 (1) (hg)**

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$3,288,600	\$3,363,700
Less Base	\$3,257,100	\$3,257,100
Less Adjustments	\$243,000	\$264,600
Requested Change	- \$211,500	- \$158,000

The department requests a decrease in expenditure authority of \$211,500 PR in FY08 and \$158,000 PR in FY09 to reflect a decrease in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7001 – PROGRAM REVENUE REESTIMATES

124 – Publications

s. 20.255 (1) (i)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$250,000	\$250,000
Less Base	\$557,700	\$557,700
Less Adjustments	\$9,000	\$9,000
Requested Change	- \$316,700	- \$316,700

The department requests a decrease in expenditure authority of \$316,700 PR annually in FY08 and FY09 to reflect a decrease in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7001 – PROGRAM REVENUE REESTIMATES

125 – School lunch handling charges

s. 20.255 (1) (jg)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$14,990,400	\$14,990,400
Less Base	\$14,997,800	\$14,997,800
Less Adjustments	\$22,800	\$22,800
Requested Change	- \$30,200	- \$30,200

The department requests a decrease in expenditure authority of \$30,200 PR annually in FY08 and FY09 to reflect a decrease in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7001 – PROGRAM REVENUE REESTIMATES

127 – Gifts, grants and trust funds

s. 20.255 (1) (jr)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$1,800,000	\$1,800,000
Less Base	\$1,400,000	\$1,400,000
Requested Change	\$400,000	\$400,000

The department requests an increase in expenditure authority of \$400,000 PR annually in FY08 and FY09 to reflect an increase in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7001 – PROGRAM REVENUE REESTIMATES

**130 – General educational development and high school graduation equivalency
s. 20.255 (1) (hj)**

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$105,000	\$110,000
Less Base	\$127,200	\$127,200
Less Adjustments	\$7,900	\$7,900
Requested Change	- \$30,100	- \$25,100

The department requests a decrease in expenditure authority of \$30,100 PR in FY08 and \$25,100 PR in FY09 to reflect a decrease in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7001 – PROGRAM REVENUE REESTIMATES

132 – Funds transferred from other state agencies; program operations
s. 20.255 (1) (ke)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$2,405,000	\$2,410,800
Less Base	\$2,179,500	\$2,179,500
Less Adjustments	\$70,300	\$89,600
Requested Change	\$155,200	\$141,700

The department requests an increase in expenditure authority of \$155,200 PR-S in FY08 and \$141,700 PR-S in FY09 to reflect an increase in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7001 – PROGRAM REVENUE REESTIMATES

**136 – Program for the deaf and center for the blind; pupil transportation
s. 20.255 (1) (gt)**

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$935,000	\$1,028,500
Less Base	\$875,000	\$875,000
Requested Change	\$60,000	\$153,500

The department requests an increase in expenditure authority of \$60,000 PR in FY08 and \$153,500 PR in FY09 to reflect an increase in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7001 – PROGRAM REVENUE REESTIMATES

***172 – Program for the deaf and center for the blind; leasing of space
s. 20.255 (1) (g)***

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$16,500	\$18,300
Less Base	\$10,000	\$10,000
Requested Change	\$6,500	\$8,300

The department requests an increase in expenditure authority of \$6,500 PR in FY08 and \$8,300 PR in FY09 to reflect an increase in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7001 – PROGRAM REVENUE REESTIMATES

**174 – Program for the deaf and center for the blind; services
s. 20.255 (1) (gs)**

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$65,000	\$70,000
Less Base	\$50,000	\$50,000
Requested Change	\$15,000	\$20,000

The department requests an increase in expenditure authority of \$15,000 PR in FY08 and \$20,000 PR in FY09 to reflect an increase in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7001 – PROGRAM REVENUE REESTIMATES

232 – Funds transferred from other state agencies; local aids
s. 20.255 (2) (k)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$9,519,100	\$9,519,100
Less Base	\$9,643,000	\$9,643,000
Requested Change	- \$123,900	- \$123,900

The department requests a decrease in expenditure authority of \$123,900 PR-S annually in FY08 and FY09 to reflect a decrease in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7002 – FEDERAL REVENUE REESTIMATES

141 – Federal aids; program operations
s. 20.255 (1) (me)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$39,532,300	\$39,343,400
Less Base	\$39,392,000	\$39,392,000
Less Adjustments	\$1,732,500	\$1,732,500
Requested Change	- \$1,592,200	- \$1,781,100

The department requests a decrease in expenditure authority of \$1,592,200 PR-F in FY08 and \$1,781,100 PR-F in FY09 to reflect a decrease in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7002 – FEDERAL REVENUE REESTIMATES

241 – Federal aids; local aid

s. 20.255 (2) (m)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$554,443,200	\$556,751,000
Less Base	\$517,101,400	\$517,101,400
Requested Change	\$37,341,800	\$39,649,600

The department requests an increase in expenditure authority of \$37,341,800 PR-F in FY08 and \$39,649,600 PR-F in FY09 to reflect an increase in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7002 – FEDERAL REVENUE REESTIMATES

343 – Federal funds; local assistance
s. 20.255 (3) (mm)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$1,241,900	\$1,241,900
Less Base	\$1,200,000	\$1,200,000
Requested Change	\$41,900	\$41,900

The department requests an increase in expenditure authority of \$41,900 PR-F annually in FY08 and FY09 to reflect an increase in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7002 – FEDERAL REVENUE REESTIMATES

344 – Federal funds; individuals and organizations

s. 20.255 (3) (ms)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Projected Expenditures	\$47,712,000	\$47,712,000
Less Base	\$47,060,800	\$47,060,800
Requested Change	\$651,200	\$651,200

The department requests an increase in expenditure authority of \$651,200 PR-F annually in FY08 and FY09 to reflect an increase in projected revenues and expenditures.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7003 – WISCONSIN KNOWLEDGE AND CONCEPTS EXAMINATION

105 – Pupil assessment

s. 20.255 (1) (dw)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$4,510,700	\$4,510,700
Less Base	\$3,110,700	\$3,110,700
Request Total	\$1,400,000	\$1,400,000

Request/Objective

The department requests \$1,400,000 GPR in both FY08 and FY09 to support continued funding for state-related assessment contracts.

Background/Analysis of Need

Since the 1992-93 academic year, Wisconsin has used the Wisconsin Knowledge and Concepts Exam (WKCE) to test eighth and tenth graders to determine their knowledge and conceptual ability. Participation by school districts in the WKCE was voluntary during 1992-93. It became mandatory beginning in 1993-94. An examination for fourth graders was added by 1995 Wisconsin Act 27. All three of the tests are designed to be age-appropriate. Beginning in the 1998-99 academic year, school boards operating elementary grades were permitted to develop or adopt their own Knowledge and Concepts Examination for fourth and eighth grade pupils. School boards that do this are required to notify the department.

Effective September 1, 2002, each school board is required to adopt a written grade advancement policy, specifying the criteria for promoting a student from the fourth to the fifth grade and from the eighth to the ninth grade. The criteria needed to include the WKCE test score, pupil academic performance, recommendations of teachers based on academic performance, and any other academic criteria identified by the local school board. This promotion policy must include the pupil's WKCE score administered to students enrolled in grades 4 and 8 under s. 118.30, Wis. Stats. This policy shows that the WKCE is widely accepted by educators and state policymakers as an important diagnostic component in determining pupil readiness to advance grades. It serves as an important check against "social promotion."

Since the 1997-98 academic year, results of the WKCE are reported by subject categories. Separate results are reported for each test area: reading, mathematics, science, social studies, language arts, and writing. Scores on the writing sample were formerly combined with scores on the language arts test. These combined scores were called language enhanced scores. The number of test areas demonstrates that WKCE measures how much a pupil has learned in a comprehensive manner.

In the 2005-06 academic year, the WKCE-CRT (CRT= Criterion Referenced Test) debuted. It is more customized to Wisconsin's needs than the "old" WKCE. Prior to WKCE-CRT's use, the state had a separate reading test for third grade pupils entitled the Wisconsin Reading Comprehension Test, or WRCT. The WRCT's function has been performed by the WKCE-CRT since the WKCE-CRT went into use in 2005-06.

In the past, the WKCE was administered to approximately 190,000 students. Beginning in 2005-06, the WKCE-CRT was administered to roughly 500,000 students because of the expanded requirements imposed upon the state by the federal No Child Left Behind (NCLB) law, which resulted in four new

grades being added to the test (grades 3, 5, 6, and 7). Federal and state assessment requirements overlap to a degree, but there are still significant differences. Customized tests need to continually have alignment studies, range finding, and bias review committees to assure the test is both timely and properly constructed.

The state and federal requirements have now been rolled into a single testing contract. Therefore, one vendor is responsible for meeting both state and federal requirements. The division between federal and local responsibilities for testing in Wisconsin can be summarized as follows:

- State: Section 118.30, Wis. Stats., requires assessment in the fourth, eighth, and tenth grade in reading, language arts/writing, mathematics, science and social studies.
- Federal: NCLB requires assessment of reading and mathematics in grades 3-8 and once in high school, and science assessment once at each level (elementary, middle, and high school).

The department estimates the total contract costs for FY07 will be approximately \$8,000,000. This is down from \$10,000,000 in FY06, a transitional year which allowed some temporary higher costs:

- During test development, the vendor issued numerous change orders for FY06, which were reduced during a negotiation process to an agreement of \$10 million for FY06.
- This was done with the understanding that FY07 was capped at a total cost of \$8 million.
- The goal of the department's Office of Educational Accountability (OEA) is to keep this cap on the test contract for the remaining years of the contract.

The department's vendor estimates the state portion to develop, distribute, score, and report for grades 4, 8, and 10, and to test grade 3 reading comprehension, will be \$4.5 million. This leaves an annual \$1.4 million gap despite efforts on the part of the department to economize. OEA said that significant savings have been realized through negotiations with the testing vendor. OEA is also making plans to cut back on hand-scored items (which are costly) over the next two years, and is streamlining other test production costs.

Currently, federal dollars are provided to help states meet testing requirements at grades 3-8 and 10 in reading and mathematics. While there is some overlap in those requirements, the federal dollars also are used to meet requirements for the alternative assessments as well as to meet numerous technical quality requirements. In addition to paying the department's major vendor out of state and federal funds, the GPR funds are used to contract with other entities for other assessment and data-related costs. The department strongly asserts that:

- Certain large-scale testing standards must be met for development, validity, reliability, and alignment of the department's assessment instruments.
- Federal dollars cannot be depended on to support the state's assessment requirements.
- On the other hand, state dollars should not be used to meet federal assessment requirements.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7004 – MILWAUKEE PARENTAL CHOICE PROGRAM AUDITOR

235 – Milwaukee parental choice program

s. 20.255 (2) (fu)

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$67,100 1.0 FTE	\$87,800 1.0 FTE

Request/Objective

The department requests \$67,100 GPR and 1.0 FTE in FY08 and \$87,800 GPR and 1.0 FTE in FY09 for a school finance auditor to meet its responsibilities under 2003 Wisconsin Act 155 which places financial accountability requirements on schools participating in the Milwaukee Parental Choice Program (MPCP).

Background/Analysis of Need

Why Act 155 Was Enacted and What It Does

Financial abuses—some of them quite extreme—in schools participating in MPCP led to the passage of 2003 Wisconsin Act 155. The Act sought to make those schools financially accountable for the way they operated inasmuch as state dollars are used to fund the program.

Under Act 155, new private schools wishing to participate in MPCP are required to participate in fiscal management training, submit a budget and cash flow report, submit a revised budget and cash flow form after the start of the school year, and submit an initial assurance report with attached accounting procedures and compensation arrangements. Forty new schools registered to participate in the program during the 2006-07 school year, further increasing the department's review and enforcement workload.

Under Act 155, all schools participating in MPCP must annually submit a third Friday in September enrollment audit and fiscal practice report by December 15. They must also submit by September 1 following the school year a financial information report audited by a CPA firm.

Workload Responsibilities of the Department Due to Enactment of Act 155

For the 2006-07 school year, 161 schools have registered to participate. This is 32 percent higher than the 122 which participated in 2005-06. Roughly 25 CPA firms are now involved in auditing schools in the MPCP. Therefore, the department's workload in reviewing financial accountability-related documents from the choice schools is rapidly increasing.

Under Act 155, the State Superintendent may terminate a private school's participation in the program if the school does not meet the financial requirements or provide evidence of sound fiscal practices. In addition, the department is given the authority to request auditor working papers as part of its administrative responsibilities under the Act. Since the effective date of Act 155, the department has:

- Reviewed two schools' working papers due to fraud.
- Substantially reviewed two schools' financial operation due to concerns of financial viability.

- Terminated one school's participation in the program due to lack of sound fiscal practices and evidence of fiscal viability.

It is not possible for one auditor, even with the assistance of other MPCP staff, to review over 590 audits and budgeting reports each year while also providing training, technical assistance, and conducting audit work paper review. This is especially true because much of this work involves details such as tracking individual payment eligibility to many of the over 15,000 students in the program. Because of the heavy responsibilities of Act 155 and the growth of MPCP, the department has serious workload concerns if this position is not filled. Presently, there are 3.5 FTE working on the MPCP: 1.0 financial specialist, 1.5 school administration consultants, and 1.0 school finance auditor. It is not feasible from a workload perspective for the current auditor to perform all of the duties required under Act 155. Current staff has already been reallocated to the extent possible. Currently, the financial specialist (responsible for generating the aid payments), the administrators (whose duty is to oversee the administration of the entire program), and other department auditors assist the MPCP auditor in processing reports. However, it is not the best business practice for a financial specialist to audit payments he or she has generated. Finally, current program staff has their own administrative responsibilities under Act 155 and, with continued program growth, these responsibilities must be completed in a timely manner.

New Auditor Responsibilities

The new auditor would:

- Work to better protect state resources and MPCP students.
- Work with participating MPCP private schools and CPA firms on financial issues, specifically providing financial training and ensuring financially sound schools participate in the program.
- Review payments made to the MPCP schools to ensure they are correct and any over- or under-payments are resolved timely.
- Help review working papers of CPA firms providing audit services to MPCP schools. Through this review, the department will be able to identify issues and potential problems and hopefully address those concerns before they become serious. This review is helpful to both the school and the department and fosters a working relationship with all involved, resulting in a consistent approach to MPCP financial reporting and audits.
- Help ensure stronger leadership in all participating MPCP schools by providing fiscal training.
- Work to ensure that students are not involuntarily displaced by reducing the risk of school closure for financial reasons during the course of a school year.

In addition, audited program numbers will be available faster and the number of schools that close mid-year should be reduced due in part to the department's ability to be proactive and help address problems before they become serious.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7005 – WESPDHH DISTANCE LEARNING PROGRAM

102 – General program operations: program for the deaf and center for the blind
s. 20.255 (1) (b)

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$105,000	\$5,000

Request/Objective

The department requests \$105,000 GPR in FY08 and \$5,000 GPR in FY09 to expand distance learning opportunities offered by the Wisconsin Educational Services Program for the Deaf and Hard of Hearing (WESPDHH). The request includes one-time funding of \$100,000 in the first year to establish an additional distance learning classroom and to upgrade telecommunications equipment in the existing classroom. In addition, annual funding of \$5,000 is requested to support additional operational costs of the expanded program.

Background/Analysis of Need

Distance learning has been an integral part of the outreach program of WESPDHH. The distance learning classroom was established about 10 years ago as part of statewide outreach services offered by the Wisconsin School for the Deaf (WSD). In April 2002, Wisconsin Act 57 established WESPDHH and required expanded statewide services for pupils who are deaf and hard of hearing. Although the act provided no additional funding, WESPDHH has strived to increase educational services to children, parents, and school staff throughout the state. Currently, WESPDHH has one distance learning classroom, located on the WSD campus, and one staff person dedicated to providing American Sign Language (ASL) courses to pupils (deaf and hard of hearing as well as hearing) throughout the state. This is the primary use of the distance learning classroom.

An audit by the Legislative Audit Bureau (LAB) of WESPDHH, as required by Act 57, resulted in just one recommendation regarding WESPDHH's outreach program. The LAB's recommendation was that the department provide " . . . additional distance learning courses statewide." This emphasizes the critical need to make more distance learning opportunities available to pupils and their families, as well as to the schools and agencies that serve them. Unfortunately, resources have not been adequate to purchase the upgrades and additional telecommunications equipment needed to expand current offerings.

Distance learning has proven to be an efficient and effective tool in making ASL classes available statewide. These classes are valuable not only to pupils who are deaf or hard of hearing, but to all pupils who are seeking ASL classes to meet graduation requirements in the area of foreign language. During the 2005-06 school year, WESPDHH provided six periods of ASL classes daily to 12 southwest Wisconsin schools and served approximately 70 pupils. Current equipment and staffing levels are not adequate to meet increasing demands for ASL classes. In fact, it has been necessary to reduce the number of ASL classes that will be offered during the 2006-07 school year to make the distance learning classroom available for more statewide outreach activities.

In addition, more training opportunities could be made available to staff of school districts and other service agencies if seminars could be conducted using distance learning technology. Teachers (both special education teachers and other classroom teachers) and direct service providers (audiologists, interpreters, speech/language therapists, and administrators), as well as parents and families, could benefit from offerings on a variety of topics (e.g. teaching methods, ASL and sign communication, use

of ASL in the classroom, services for children with cochlear implants, etc.). This would be a cost-effective means of delivering specialized training to a large number of people.

Finally, the upgrade and expansion of distance learning telecommunications equipment would make it possible for outreach staff to participate in individualized education program (IEP) meetings and provide consultations without the need for time-consuming and expensive travel. Currently, the distance learning classroom is used on a very limited basis for IEP meetings.

School administrators and IT staff have discussed equipment needs with the Southern Wisconsin Instructional Network Group, the consortium to which WSD belongs. Cost estimates are based on the need for new computer equipment for both rooms, televisions for the new room, and wiring and installation for the new room. Upgrades to the wiring in the old room may also be needed. In addition, there would be renovation and furniture costs for the new room. It is anticipated that the total cost of a new distance learning classroom would be approximately \$60,000. The cost of upgrades to the existing distance learning classroom is estimated at \$40,000.

It is anticipated that there would be an increase in operating costs of about \$5,000 annually for the expanded program. These costs include an additional line fee for the second distance learning room as well as fees for additional remote sites. Also, a switch or “bridging” fee is charged if an out-of-state site is involved. Occasionally, out-of-state resources (those available through Gallaudet University, for example) would need to be used.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7006 – WSD MENTAL HEALTH INTERVENTION PROGRAM

102 – General program operations: program for the deaf and center for the blind
s. 20.255 (1) (b)

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$38,300	\$33,300

Request/Objective

The department requests \$38,300 GPR in FY08 and \$33,300 GPR in FY09 to support the mental health intervention program in the residential hall of the Wisconsin School for the Deaf (WSD). The request includes: (1) one-time funding of \$5,000 for sensory integration equipment, (2) annual funding of \$5,000 for staff training, (3) annual funding of \$23,300 for an occupational therapy services contract, and (4) annual funding of \$5,000 for sign language interpreters.

Background/Analysis of Need

Mental health issues are significantly more prevalent in the deaf and hard of hearing school age population than in the greater hearing school-age population. The services offered at the WSD, the residential school operated as part of the Wisconsin Educational Services Program for the Deaf and Hard of Hearing (WESPDHH), are unique. Because resources are available at WSD that can be found nowhere else in the state, school districts often refer children to the school who are deaf and hard of hearing. Some of these students also have a wide range of additional disabilities and/or mental health problems. Students who exhibit emotional and/or behavioral difficulties often function well in the classroom and school setting at WSD due to the highly structured environment and low staff to pupil ratio. However, the ratio is much higher in the dormitory setting, often creating an atmosphere that causes anxiety for these children. The result is often acting out behavior that cannot be controlled and an environment that is unsafe for children and staff alike. The residential school staff is committed to serving the needs of all pupils referred to them. However, although WSD has been able to meet the educational needs of these pupils, the uncontrolled behavior among those with emotional problems has resulted in some pupils being returned to their home school districts. This situation places an undue burden on the pupils' resident districts, and school districts have voiced concerns about WSD's inability to meet both the educational and residential needs of students with emotional problems.

To address the issue, WSD is currently establishing a mental health intervention program in the residential hall. Over the past year, plans have been finalized, and the program is to be implemented during the 2006-07 school year. A residential mental health coordinator is already on staff and is providing some services such as behavioral programming for identified students as well as some training for staff. Although physical space is available, resources are not adequate to fully support the anticipated costs of the program. To the extent possible, existing resources are being directed to this new program, but additional funding is needed to implement the program effectively. The proposed program would be structured to include various levels of student restriction. Following initial placement based on individual need, students would have an opportunity to transition from more restrictive levels to less restrictive levels and, eventually, to the regular residential unit.

Allocation of Existing Resources

The design, implementation, and operation of the program is being managed by the residential mental health coordinator. The program will bring all residential support staff together in one location. The 2006-07 school year will be a transition year, with existing staff being redirected on a gradual basis to the program. In addition to the coordinator, staffing will include two social workers as well as various

dormitory staff that will be assigned to the mental health wing. A part-time anger replacement therapy consultant will also be added, a position that will be established using existing vacant position authority. This phase of the program will be implemented using existing resources, and no new funding or FTE is requested.

There is adequate residential space to establish an area devoted exclusively to a mental health intervention program. Any necessary renovations to one wing of the dormitory will be completed during the 2006-07 school year using existing resources, and no new funding is requested for this purpose.

Request for New Funding

Sensory integration equipment, used for a type of therapy that helps students reduce agitation and anxiety, is an important tool in implementing the program effectively. The therapy provides a child with stimuli to various sensory nerves, along with a variety of activities, to divert the child's internal focus from stimuli causing the inappropriate behavior to soothing and relaxing stimuli. Some examples are swinging, spinning, wrapping the body completely with blankets, rolling on large therapy balls, and rubbing sponges or other materials on the arms, hands and legs. Equipment needed would include indoor swings and frames, various large balls, rocking and balancing forms, floor mats, floor scooters and tactile sensory materials (sponges, blankets, etc.). One-time funding of \$5,000 is requested to purchase this equipment in FY08.

The program would incorporate a highly structured, behavioral based model. Although WSD expects to hire individuals trained to work with deaf and hard of hearing students, special training is needed to work with children with mental health needs. To the extent possible, this training would be provided during fall inservice sessions. It is anticipated that some staff would also attend various mental health workshops. Annual funding of \$5,000 is requested for specialized training.

Beginning in FY08, funding is requested to cover the costs of contracting for occupational therapy services in the mental health wing. These services would be needed for sensory integration therapy. The cost of contracting with an occupational therapist is \$54 per hour. Cost estimates are based on three hours, four nights a week, during the weeks that school is in session, for a total cost of \$23,300.

The implementation of this program would increase the demand for sign language interpreters. Interpreters would be needed during (1) staff inservices, except when the provider is able to sign; (2) meetings of staff and/or students with consultants and contractual staff; and (3) some of the therapy sessions. WSD staff interpreters would provide these services whenever possible. However, it is estimated that there would be approximately \$5,000 in additional costs for contracted interpreters.

Requested funding for the proposal is summarized in the chart below:

	FY08	FY09
Sensory integration equipment	\$5,000	\$0
Specialized training	\$5,000	\$5,000
Occupational therapy contract	\$23,300	\$23,300
Sign language interpreters contract	\$5,000	\$5,000
TOTAL	\$38,300	\$33,300

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7007 – STATEWIDE DATA SYSTEMS

101 – General program operations

s. 20.255 (1) (a)

131 – Data processing

s. 20.255 (1) (ks)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
GPR	\$287,200	\$287,200
PR-S	\$295,100	\$385,000
	5.0 FTE	5.0 FTE
Total	\$582,300	\$672,200

Request/Objective

The department requests \$295,100 PR-S (data processing operations) and 5.0 PR-S FTE (2.0 IS Systems Development Services Specialists [to replace 2 contracted staff], 2.0 IS Resources Support Technicians [to replace 4 LTE staff] and 1.0 Policy Initiatives Advisor–Administrative data security manager) in FY08 and \$385,000 PR-S and 5.0 PR-S FTE in FY09 to support and maintain the Wisconsin Student Locator System, the Individual Student Enrollment System, the School Performance Report and the Wisconsin Information Network for Successful Schools.

The department also requests \$287,200 GPR in both years of the biennium to provide funding for technical and ongoing support, development, and quality assurance testing for the statewide applications listed above.

Background/Analysis of Need

In the 2005-2007 biennium, the department undertook a foundational change in the accountability of pre-kindergarten through grade 12 students. The Wisconsin Student Locator System (WSLS) was developed and implemented in FY05 to provide the state's school districts the ability to assign each student a unique student identifier number.

The next phase, implemented in FY06, was the Individual Student Enrollment System (ISES) to collect mandatory reports based on individual student information. The Internet-based Wisconsin Information Network for Successful Schools (WINSS) is the department's official reporting site for the information gathered from WSLS and ISES.

These new systems (WSLS and ISES) were developed and implemented with federal dollars and funding is now needed to maintain the systems. In addition, with the need to both maintain and expand WINSS as the department's reporting tool, an enhanced base level of ongoing state funding is needed.

WSLS was developed and implemented to provide the state's 425 school districts with the ability to assign each of the over 880,000 students in Wisconsin a unique student identifier, otherwise known as a Wisconsin Student Number (WSN). The WSN is a unique, unduplicated number assigned to each student enrolled in Wisconsin public schools. WSLS is used to assign a WSN. The WSN is intended to be the student's sole identifier throughout his or her PK-12 experience. Parents cannot opt their child out of being assigned a number in the system.

In addition to the legal name of each student enrolled, public school districts will also supply the WSLS with other data such as the student's gender, race, birthdate, and at least one parent/guardian name.

This information will prevent data collectors from confusing students with identical names, similarly-spelled names, or aliases. WSLs does not require birth certificates or other documentation, but districts may do so.

WSLS recommends, but does not require, additional data such as place of birth (city, county, state-country not collected), nicknames, and other parent/guardian names. The additional data will help ensure that WSNs are unique and that existing WSNs are retained when students move between schools. No personal contact information, such as addresses, phone numbers, or social security numbers is collected or used by the system.

The ISES collects mandatory reports based on individual student information. This method of collection replaces the aggregate summary reporting of previous years for the state-legislated School Performance Report. In addition, label roster reports generated from ISES in the fall of 2005 for assessments saved school districts time and money as compared to the way reports were generated in previous years.

ISES guiding principles are as follows:

- To produce student data needed for adequate yearly progress (AYP) and Elementary and Secondary Education Act (ESEA) Report Card purposes. This includes attendance rates (possible days of attendance, actual days of attendance), graduation rates (birthdate, school entry date, school exit/withdrawal dates and reasons including transfer, dropout, high school completion credentials), acquisition of English proficiency, and demographic data required for disaggregation.
- To report academic indicators that measure what they are intended to measure (valid) and that have comparable values in comparable situations across districts and schools (reliable). The No Child Left Behind (NCLB) Act requires that the academic indicators be valid and reliable. Data elements used for NCLB purposes must be clearly and carefully defined and reported in a uniform manner statewide.
- To account for all students.
- To minimize data collection and reporting burden. Over time, work to consolidate data collections so data collected through the ISES can be used to meet as many state and federal reporting requirements as possible. Readiness for data transfer, data standardization, and the need for report-ready data summaries will be considered in the development of ISES requirements. The only data included in the ISES will be data to meet requirements in law and only when the data cannot be more efficiently collected in an aggregate collection.
- To facilitate the use of data for school improvement purposes. Whenever practicable, select and define data elements so that the data collected will provide useful information to districts and schools; not just information to produce mandated reports. In addition, design ISES in a way that promotes the efficient linking/sharing of student data within/across schools over time and across software applications.
- To protect student privacy.

WINSS is the department's official reporting site for the information gathered from WSLs and ISES. WINSS is considered an electronic "school report card." This website is a valuable information resource for educators, parents, and the general public. It also assists school communities in better educating the hearts and minds of all Wisconsin children. WINSS provides information on what children should know and be able to do as well as how students are doing in these areas. Also included are processes for improving what is happening in the educational community and descriptions of best practices for improvement.

WINSS is organized into four areas: standards and assessment, data analysis, continuous school improvement, and best practices. Standards and assessment outlines the state's expectations for students and how to know if students are meeting expectations. Data analysis allows the public to search a database of information about the state's 425 school districts to find out how a community's schools are doing compared to state and national averages in myriad arenas. Continuous school improvement describes the seven characteristics of successful schools and a process for improvement. Best practices offers exemplary programs and practices for each of the successful school characteristics.

As the public seeks ever-greater accountability for its tax dollars, WINSS provides a barometer of how well public schools are doing.

The most important impact of the implementation of these systems is the future impact they may have on school performance and student performance. New phases of the systems will facilitate the addition of special education, assessment, financial aid, curriculum, and school nutrition. In addition, future capability may include the linking of PK-12 student information with higher education and vocational education systems resulting in a PK-20 grade environment.

The following table summarizes the requests components and costs. Positions are PR-S funded, through internal department chargebacks to program budgets to support information technology services. The non-position costs are GPR:

Application	Description	FY08 Projected Cost	FY09 Projected Cost
WSLS/ISES staffing - (PR-S funded)	2.0 FTE for support, maintenance, & new development. 2.0 FTE for helpdesk support; 1.0 FTE for data security	\$295,100	\$385,000
School Performance Report	Technical support to districts; updates to SPR review site needed due to data collected in new way; support for SPR Infomaker reports	\$20,000	\$20,000
PI 1202-Fall Staff Report	Technical support & development	\$40,000	\$40,000
WINSS Annual Maintenance	On-going support	\$80,000	\$80,000
WINSS Support	File preparation & quality assurance testing	\$5,000	\$5,000
Enterprise Applications for ISES/statewide data	Business analysis/quality assurance testing	\$135,200	\$135,200
Enterprise Directory Web Applications	On-going support	\$7,000	\$7,000
Total		\$582,300	\$672,200

The department is requesting 2.0 FTE IS Systems Development Services Specialist positions. One position would be responsible for providing technical expertise regarding the analysis, development and maintenance of systems that capture, interrelate and report data for the department. This would include but would not be limited to applications on the Internet such as the WSLS and ISES. The second position would be responsible for managing major projects for the department. These projects would include all systems which capture, interrelate and report data relating to several programs in the department. The position would be responsible for the development and maintenance of data collection

and publishing software on the Internet. This position would also be responsible for the ongoing coordination and review of the work of system analysts and analyst/programmers whose applications interface with agency-wide systems which involve both system analysis and applications programming responsibility.

Currently, two contracted staff from Compuware are performing the duties that the requested new state staff would perform at an estimated annual cost of \$258,000. The 2.0 FTE requested would cost less at an estimated total of about \$200,000 annually (including salary/fringe/fixed costs). Therefore, replacing the two contracted staff with state staff will save an estimated \$58,000 annually.

The department also requests 2.0 FTE IS Resources Support Technician positions. These positions would provide technical assistance to school districts in the operation of department-supplied software for WSLS/ISES, which are needed to implement the requirements of the NCLB Act and facilitate compliance with the federal Education Data Exchange Network (EDEN). These positions would also provide customer service help desk support for educational entities, including the 425 school districts, and would function as part of the Library and Statistical Information Center.

This function had been contracted out, but the department chose to bring it in-house in FY06. Currently, four limited time employees (LTEs) are performing these duties. The department estimates it will save approximately \$40,000 annually by using state staff instead of contract staff. This is an ongoing function, best performed by permanent staff rather than LTEs. The requested 2.0 permanent FTE will cost approximately \$125,000 annually.

As the department moves to individualized student data, protecting the security of such data is of critical importance. In addition to developing strict data access protocols, the department is proposing to create a 1.0 FTE data security manager (DSM). The DSM will function as a resource on state and federal law concerning student data confidentiality and will oversee authorization of access to student data. The position will review and approve the data collection processes for all confidential student data and approve all data storage designs to ensure confidentiality. The position will also review public reporting of data, review external data requests, and train department staff and those under contract to the department on student privacy and data confidentiality.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7008 – GRANTS FOR MASTER EDUCATORS

306 – National teacher certification

s. 20.255 (3) (c)

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$208,000	\$342,600

Request/Objective

The department requests \$208,000 GPR in FY08 and \$342,600 GPR in FY09 to increase the existing sum sufficient national teacher certification grant appropriation to allow teachers receiving master educator licenses through the state process to receive the same grants as those master educators receiving licenses through national certification.

In addition, the department requests that the program be modified beginning in FY08 to provide an incentive to grant recipients to work in high poverty schools by providing \$5,000, rather than \$2,500, for continuing grants as long as the recipient is employed in a school in which at least 60 percent of the school's pupil population is eligible for free or reduced-price lunch under 42 USC 1758 (b).

Background/Analysis of Need

Under the state's current National Teacher Certification grant program, the department is required to award grants of up to \$2,000 for teachers earning national certification and \$2,500 annually for nine years thereafter. Obtaining a national certificate issued by the National Board for Professional Teaching Standards (NBPTS) is one way a teacher may receive certification at the master educator level under Chapter PI 34, Wis. Admin. Code.

Effective July 1, 2004, an individual may follow a state process to receive a master educator license under Chapter PI 34, Wis. Admin. Code, in subject areas not currently offered under the NBPTS (school administration categories and school nurse, school counselor, school psychologist, school social worker, adaptive physical education, assistive technology, speech and language pathology, computer science, dance, psychology and theatre). Eventually, the state process will offer master educator licenses in the subject areas granted through the NBPTS as well. The state requirements include:

- Documentation of a related master's degree.
- Five years of successful professional experience in education.
- Evidence of improved pupil learning.
- An assessment process that is comparable in expectations to the NBPTS.

Because the state process is as rigorous as the NBPTS process (maybe more because the applicant must have a master's degree), the grant program should be available to all master educators, regardless of the process used to get the license. Without such a grant, there is a reduced incentive to attain a master educator license under the state process.

To encourage individuals to become state certified master educators, the department created a pilot program for FY06 and FY07 to pay up to \$2,000 to each applicant who successfully completes the

process. These “initial” grants will be awarded using federal Title II-A, Elementary and Secondary Education Act funds. However, these funds are limited and are not available for long-term obligation.

It is estimated that there will be 25 new master educators certified at the state level in FY06, 25 in FY07, 50 in FY08 and 50 in FY09. It is also assumed that these newly certified master educators will be reimbursed at an average of \$1,200 the first year.

To address the needs of high poverty schools that have difficulty attracting highly qualified teachers (HQT), the department proposes to double the amount awarded (\$5,000, rather than \$2,500) to persons applying for continuing grants under s. 115.42 (2), Wis. Stats., if those persons are employed in a school in which at least 60 percent of the school’s pupil population is eligible for free or reduced-price lunch under 42 USC 1758 (b). The department is unable to predict the number of master educators that may take advantage of this incentive in the 2007-09 biennium. However, in FY06, five master educators met the proposed criteria and it is assumed will continue to meet the criteria in FY08 and FY09.

The following table reflects the department’s estimates of new and continuing master educators and associated funding needs in 2007-09:

	FY08		FY09	Cost
Newly-certified	50 @ \$1,200 each	\$60,000	50 @ \$1,200 each	\$60,000
Continuing	*45 @ \$2,500 each	\$112,500	*95 @ \$2,500 each	\$237,500
**Continuing x .0765		\$8,600		\$18,200
**Continuing low-income	*5 @ \$5,000 each	\$25,000	*5 @ \$5,000 each	\$25,000
**Continuing low-income x .0765		\$1,900		\$1,900
TOTAL		\$208,000		\$342,600

*FY06 and FY07 master educators will be eligible retroactively for continuing, but not initial, grants. Statutory language will need to be drafted allowing the department to award retroactive grants to such applicants.

**Recent IRS findings and the State Controller’s Office requires the department to recognize these individuals as unclassified nominal employees and must, therefore, pay Medicare and Social Security.

In its June 2004 report, the Governor’s Task Force on Educational Excellence recommended financial support be provided for all master educators (not just master educators who are nationally certified).

This request was included in the Governor’s 2005-07 biennial budget.

Statutory Language

The department is proposing statutory language related to this request. See *Grants for Master Educators* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7009 – NATIONAL TEACHER CERTIFICATION REESTIMATE

306 – National teacher certification

s. 20.255 (3) (c)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$1,074,400	\$1,262,800
Less Base	\$945,000	\$945,000
Requested Change	\$129,400	\$317,800

Request/Objective

The department requests an increase of \$129,400 GPR in FY08 and \$317,800 GPR in FY09 for payment to teachers who are certified by the National Board for Professional Teaching Standards (NBPTS). The appropriation is sum sufficient, requiring the department to make payments for as many teachers as are eligible in any fiscal year.

In addition, the department requests that the program be modified beginning in FY08 to provide an incentive to grant recipients to work in high poverty schools by providing \$5,000, rather than \$2,500, for continuing grants as long as the recipient is employed in a school in which at least 60 percent of the school's pupil population is eligible for free or reduced-price lunch under 42 USC 1758 (b).

Background/Analysis of Need

Created in 1987, the NBPTS is an independent, nonprofit, nonpartisan organization governed by a 63-member board of directors. The mission of the NBPTS is to: (1) establish rigorous standards for what accomplished teachers should know and be able to do; (2) develop and operate a national, voluntary system to assess and certify teachers who meet these standards; and (3) advance related educational reforms for the purpose of improving student learning in American schools.

Created under 1997 Wisconsin Act 237, the state's National Teacher Certification grant program is provided a sum-sufficient appropriation to award grants of up to \$2,000 for teachers earning national certification and \$2,500 annually for nine years thereafter. It is estimated that there will be 55 new educators certified in FY06, 60 in FY07, 70 in FY08 and 70 in FY09. These newly-certified national master educators will be reimbursed at an average of \$1,200 the first year.

To address the needs of high poverty schools that have difficulty attracting highly qualified teachers (HQT), the department proposes to double the amount awarded (\$5,000, rather than \$2,500) to persons applying for continuing grants under s. 115.42 (2), Wis. Stats., if those persons are employed in a school in which at least 60 percent of the school's pupil population is eligible for free or reduced-price lunch under 42 USC 1758 (b). The department is unable to predict the number of NBPTS teachers that may take advantage of this incentive in the 2007-09 biennium. However in FY06, 20 NBPTS certified teachers met the proposed criteria and it is assumed will continue to meet the criteria in FY08 and FY09.

The following table reflects the department's estimates of new and continuing nationally-certified master educators and associated funding needs in 2007-09:

	FY08	Cost	FY09	Cost
Newly-certified	70 @ \$1,200 each	\$84,000	70 @ \$1,200 each	\$84,000
*Continuing	328 @ \$2,500 each	\$820,000	398 @ \$2,500 each	\$995,000
*Continuing x .0765		\$62,700		\$76,100
*Continuing low- income	20 @ \$5,000 each	\$100,000	20 @ \$5,000 each	\$100,000
*Continuing low- income x .0765		\$7,700		\$7,700
TOTAL		\$1,074,400		\$1,262,800
Less base		\$945,000		\$945,000
Net increase		\$129,400		\$317,800

*Recent IRS findings and the State Controller's Office requires the department to recognize these individuals as nonclassified nominal employees and must, therefore, pay Medicare and Social Security.

Statutory Language

The department is proposing statutory language related to this request. See *Grants for Master Educators* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7010 – NEWSLINE FOR THE BLIND

132 – Funds transferred from other state agencies; program operations

s. 20.255 (1) (ke)

360 – Periodical and reference information databases

s. 20.255 (3) (q)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid (SEG)	\$2,136,500	\$2,138,500
Less Base (SEG)	\$2,030,500	\$2,030,500
Requested Change (SEG)	\$106,000	\$108,000
Requested Change (PR-S)	- \$67,500	- \$67,500
Net Change	\$38,500	\$40,500

Request/Objective

The department requests \$106,000 SEG and -\$67,500 PR-S in FY08 and \$108,00 SEG and -\$67,500 PR-S in FY09 to support the Newsline for the Blind (Newsline) services provided by the Regional Library for the Blind and Physically Handicapped (Regional Library), which include registering new users, providing technical support, and placing Wisconsin announcements and local information on the Newsline channel.

As part of the request, the department is proposing to make the Newsline SEG funding a direct appropriation to the department from the Universal Service Fund (USF), as opposed to the current transfer of SEG/USF funds from the Public Service Commission (PSC) into a PR-S appropriation. The department proposes to use the existing Badgerlink SEG appropriation which currently receives direct funding from the USF.

Background/Analysis of Need

Newsline provides access to newspapers on a daily basis for people who cannot read print newspapers. The service is provided by the National Federation of the Blind (NFB) using an automated electronic voice and can be accessed using a regular touch-tone telephone. The Regional Library assists in providing the service by registering new users, providing technical support, and placing Wisconsin announcements and local information on the Newsline local channel. The contract for the Regional Library has been reduced substantially, and there is not sufficient funding to continue these Newsline support services.

Newsline provides access to 14 Wisconsin newspapers and over 200 national newspapers, news wire services, and some national magazines. The 14 Wisconsin newspapers that are included in Newsline are: *Appleton Post-Crescent*, *Fond du Lac Reporter*, *Green Bay Press-Gazette*, *Herald Time Reporter* (Manitowoc), *La Crosse Tribune*, *Marshfield News-Herald*, *Milwaukee Journal Sentinel*, *Oshkosh Northwestern*, *Stevens Point Journal*, *The Sheboygan Press*, *Wausau Daily Herald*, *Wisconsin Rapids Daily Tribune*, and *Wisconsin State Journal/The Capital Times*.

Newsline currently has over 2,000 Wisconsin users registered. The average length of a call into Newsline is 25 minutes.

Non-statutory language provided in 1997 Wisconsin Act 27 (1997-1999 biennial budget) required the department to enter into a contract with the NFB to provide Newsline from locations in Madison and Milwaukee. The department was directed to use USF money transferred from the PSC into the

department's PR-S appropriation s. 20.255 (1) (ke), Wis. Stats., to fund the cost of the contract for Newsline. Annual transfers approved in biennial budgets in FY03 through FY07 have been \$67,500.

The current PR-S appropriation contains funding to be used for 12 different programs, including Newsline. The balance for Newsline at the end of FY06 was expected to be \$98,000 and, in accordance with a Legislative Audit Bureau USF audit from 2005 and a memorandum of understanding (MOU) with the PSC, the balance will be fully expended by the end of FY07.

The MOU describes the process to be used by the department and the PSC for determining the USF funding level for Newsline. It was agreed upon that department and PSC staff together will determine the appropriate level of funding prior to each agency's proposed biennial budget submittal. By May 1 of each year, the department shall provide the PSC with a proposed budget for the next fiscal year including a summary of the current fiscal year expenses and revenues. The amount approved by the PSC for the program cannot exceed the amount appropriated in the biennial budget. The Newsline budget request will be included in the proposed USF budget sent for approval to the USF Council and the PSC.

This arrangement appeared to be workable to both the department and PSC. However, in discussions with PSC in preparation for the 2007-09 biennial budget, it was determined that PSC is going to require additional expenditure authority for its USF-funded programs in the next biennium in order to maintain their full function and commitments. Administrative code provides that the PSC can establish an annual budget for the Newsline program, as it does for the other PSC-operated programs. It would, therefore, appear that the PSC has the authority to potentially reduce Newsline funding to the department if its approved USF-program expenditure authority is not sufficient.

Rather than run the risk of having a department program budget affected by PSC budget constraints, the department, with agreement from PSC, is proposing to treat the USF Newsline funding the same as the USF funding for Badgerlink and public library aids. That is, Newsline will become part of the direct appropriation to the department from the USF. The department is proposing to utilize and modify the existing Badgerlink SEG appropriation to receive the Newsline funds from the USF.

The requested \$38,500 in FY08 and \$40,500 in FY09 is needed to maintain Newsline support services at the Regional Library. The Newsline contract with NFB can be funded within the base \$67,500, but additional resources are needed to assure ongoing implementation of the contract by the Regional Library.

Statutory Language

The department is proposing statutory language related to this request. See *Newsline for the Blind* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7011 – ELIMINATION OF QUALIFIED ECONOMIC OFFER

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$0	\$0

Request/Objective

The department proposes to repeal the Qualified Economic Offer (QEO) provisions related to teacher collective bargaining under s. 111.70, Wis. Stats., effective upon passage of the budget. Through this action, teachers will no longer be constrained by an artificial limit in terms of their ability to bargain compensation increases. Teachers will be able to collectively bargain under essentially the same parameters as other represented public employees.

Background/Analysis of Need

To maintain the excellence of Wisconsin's teachers, there needs to be greater parity at the collective bargaining table. Existing statutes allowing school boards to unilaterally invoke a QEO based on an arbitrary percentage increase in compensation does not serve the state's interest in encouraging Wisconsin's best and brightest to consider or remain in public school teaching careers. There is no compelling reason why teachers, alone among public sector employees, should be placed under collective bargaining restrictions.

One important component of attracting and retaining qualified candidates to any career is salary. Wisconsin's national teacher salary ranking has dropped in recent years, largely as a result of the QEO law. The QEO law went into effect in 1993.

Under the QEO law, a school board can avoid interest arbitration on economic issues in teacher bargaining, if it offers a QEO. To be valid, a QEO must:

- Provide a total compensation (salary and fringe benefits) increase over the prior year of 3.8 percent as measured against the prior year's districtwide base compensation, using the "cast forward" method of costing.
- Maintain (a) all employee fringe benefits, as they existed 90 days prior to the expiration of the previous contract, and (b) the district's percentage contribution to that package.
- If maintaining the fringe benefit package costs more than 3.8 percent of total base compensation the board may cut salaries.
- Use the amount, if any, of the 3.8 percent remaining after fringe benefits are paid for salary increases first to pay employees for additional years of service before providing any general across-the-board increases.

According to data collected by the American Federation of Teachers, Wisconsin now has both the lowest average salary and lowest beginning salary in the Great Lakes Region.

Wisconsin's overall national rankings on average teacher salaries, excluding fringe benefits, have also declined consistently since the QEO law was implemented (27th in 2004 vs. 14th in 1993). This decline in national ranking also exists when comparing Wisconsin teacher salaries to comparable salaries in the private sector and adjusting teacher salaries for the cost of living.

It has also been argued that in addition to constraining salary structure changes, the QEO has also inhibited local innovation on health insurance matters. The requirement that districts maintain the existing fringe benefits package, if they choose to impose a QEO, has significantly reduced incentives to bargain alternative health care packages.

The Governor's Task Force on Educational Excellence recommended repeal of the QEO and that doing so "will free teachers and school boards to collectively bargain more meaningful changes in salary structure to reward the teachers' knowledge and skills, and to pursue cost effective innovations in health insurance."

According to the task force, most teachers, school administrators, and school board members agree that the QEO law has seriously eroded teacher morale, because it applies only to school district professional employees and restricts local collective bargaining. The combination of increasing teacher retirements and constrained salaries creates conditions that could easily lead to diminishing instructional quality at a time when our economic future depends on a highly educated work force.

Statutory Language

The department is proposing statutory language related to this request. See *Elimination of Qualified Economic Offer* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7501 – GENERAL EQUALIZATION AIDS

201 – General equalization aids

s. 20.255 (2) (ac)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$4,872,693,700	\$4,994,855,500
Less Base	\$4,722,745,900	\$4,722,745,900
Requested Change	\$149,947,800	\$272,109,600

Request/Objective

The department requests \$149,947,800 GPR in FY08 and \$272,109,600 GPR in FY09 to fund the general equalization aids share of meeting approximately two-thirds of estimated “partial school revenues.” The amounts reflect a 3.18 percent and 2.51 percent annual increase, respectively, over the biennium.

The department’s request related to general equalization aids reflects other funding requests contained elsewhere in this biennial budget related to certain categorical school aids (both new and existing), the Milwaukee Racine Charter Schools Program (MRCSP) and funding for the two state residential schools. To the extent that those requests are denied and/or modified, the amount of general equalization aids needed to fund approximately two-thirds of “partial school revenues” would also change.

Background/Analysis of Need

Annually, the state provides funding for general equalization aids to nearly all school districts in the state. General equalization aids represent the single largest funding commitment in all of state government, totaling \$4.722 billion in FY07.

From 1994 through 2002, as part of its biennial budget requests, the department calculated the amount of general equalization aids necessary (which included categorical aids and the school levy tax credit as well) to fulfill the state’s statutory “two-thirds” funding target for the succeeding biennium.

Most recently, the conclusion of the 2005-07 biennial budget process saw the Governor use his veto authority to provide additional funding in state general equalization aids and the school tax levy credit, vetoes that are likely to bring the state closer to its former two-thirds funding target in FY07. Using the former “state support” definition, it is estimated state school funding in FY07 will cover roughly 66.2 percent of “partial school revenues.”

The cost of K-12 education is supported by the state through two primary means. First, unrestricted general school aids are provided to all districts through the state’s general equalization aid formula (henceforth referred to as the “formula”). The “formula” distributes aid based upon the relative fiscal capacity of each school district, which is primarily measured by each district’s membership (enrollment calculated on an FTE basis), its taxable property per pupil, and its eligible aidable costs (i.e. spending) per pupil. The state’s other main method of support is through categorical aids that fund specific programs such as special education, transportation, food/nutrition programs, etc.

The main premise of distributing state general equalization aids based on the fiscal capacity of school districts, as measured by property wealth, has been in place in Wisconsin since 1949. While the “formula” has been modified more than once since that time in 1973 (two-tier formula) and 1996 (three-

tier formula), its major premise for distributing aid has not changed fundamentally over the past 50-plus years. While somewhat unique compared to other states, many of which have “foundation” formulas, Wisconsin’s “power equalization” formula places a heavy emphasis on local control by not requiring districts to spend at a certain level to qualify for state aid, nor levy taxes at a certain state-determined minimum rate.

The increases in general equalization aids have varied widely during the past 14 years (see Table 1 below). During the mid-1990s, there were significant increases in general equalization aids as a result of the state’s efforts to increase its overall support for K-12 education from roughly 48 percent to two-thirds. Once that target was met in 1996-97, funding increases hovered around 4-6 percent annually for the next four years to remain at roughly two-thirds funding until the definition was changed in FY02, making the target easier to attain. Upon repeal of the state’s two-thirds commitment, general equalization aid increases slowed appreciably in FY04 and FY05. Most recently, increases in general school aids have again approached the scope of those seen in the mid-1990s, both in actual dollar and percentage terms.

Table 1

Fiscal Year	General School Aids (\$ in millions)	Annual % Change	Annual \$ Change (\$ in millions)
1993-94	\$1,832.2	12.2%	
1994-95	\$2,093.4	14.3%	\$261.2
1995-96	\$2,341.5	11.9%	\$248.1
1996-97	\$3,182.2	35.9%	\$840.7
1997-98	\$3,393.5	6.6%	\$211.3
1998-99	\$3,560.1	4.9%	\$166.6
1999-00	\$3,767.9	5.8%	\$207.8
2000-01	\$3,931.9	4.4%	\$164.0
2001-02	\$4,051.6	3.0%	\$119.7
2002-03	\$4,200.9	3.7%	\$149.3
2003-04	\$4,273.1	1.7%	\$72.2
2004-05	\$4,317.5	1.0%	\$44.4
2005-06	\$4,613.9	6.9%	\$296.4
2006-07	\$4,722.7	2.4%	\$108.8

General equalization aids are received within school district’s revenue limits. Thus, changes in aids received directly affect school district property tax levies.

General equalization aids may be used by school districts for any purpose (e.g. teacher salaries and benefits, debt repayment, computers, athletic equipment, etc.). Given that all school districts essentially “compete” for funding with one another for general equalization aids, changes in most any single district’s “factors” (property value, spending level, or membership) affect the distribution of aid to nearly all other districts in the state.

The current school aid formula’s goal is to distribute funding so that school districts that spend the same amount per pupil will have a similar tax rate, regardless of their property value per pupil. However, the formula does not guarantee all districts will have the same tax rate; rather, it attempts to achieve equalization of each district’s tax base.

Fundamentally, there is an inverse relationship between equalization aids and property wealth as districts with the lowest property valuations per pupil receive the highest percentage of state aid and vice versa.

The formula funds those school costs that would otherwise be supported by property taxes in the absence of state equalized aid.

There are two smaller funding elements within the general equalization aids appropriation that provide funding to: (1) 24 specific districts in the metro Milwaukee area (interdistrict integration aid) and five specific districts throughout the state (intradistrict integration aid), commonly known as “Chapter 220” aids; and (2) some districts each year to ensure that no district receives less than 85 percent of what it received in the prior year, also known as “special adjustment” aids.

Further, there are deductions made from general equalization aids each year to support the Milwaukee Parental Choice Program (MPCP) and the MRCSP. Annually, state statutes require the department to deduct from the Milwaukee Public Schools (MPS) general equalization aids entitlement an amount equal to 45 percent of the total estimated cost of the MPCP (direct state funds cover the other 55 percent of the MPCP). In addition, the department is required to deduct a proportionate amount of funding from each of the state’s 425 districts to cover 100 percent of the costs of the 15 schools participating in the MRCSP.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7502 – MILWAUKEE PARENTAL CHOICE PROGRAM REESTIMATE AND FUNDING CHANGE

235 – Milwaukee parental choice program

s. 20.255 (2) (fu)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$117,390,000	\$127,206,000
Less Base	\$108,866,000	\$108,866,000
Requested Change	\$8,524,000	\$18,340,000

Request/Objective

The department requests \$8,524,000 GPR in FY08 and \$18,340,000 GPR in FY09 to continue to fund the Milwaukee Parental Choice Program (MPCP) under s. 119.23, Wis. Stats.

In addition to a reestimate of the total costs of the program for the 2007-09 biennium, this request includes a change in the state's share of funding for the MPCP from the current 55 percent to 75 percent of the annual cost of the program.

Background/Analysis of Need

Under current law, the state general fund pays 55 percent of the total cost of the program. Milwaukee Public Schools (MPS) pays for the remaining 45 percent of the MPCP through a reduction in its general equalization aid entitlement each year.

MPS can, and does, increase its property tax levy to replace these lost state aids under its revenue cap. However, the continued growth in the MPCP will result in MPS' actual share of the MPCP reaching approximately \$48 million in FY07, a figure likely to increase to \$53 million in FY08 and over \$57 million in FY09.

While the state currently supports roughly 75 percent of MPS' shared costs through the general equalization aid formula, MPS' tax levy related to the MPCP is significant and should be addressed. In 2005-06, MPS' gross property tax levy was \$226 million, of which \$42 million (18 percent of the total) was directly tied to its share of funding the MPCP.

While the state's method for funding the MPCP has changed numerous times over the years, the MPCP has always been funded from a single, sum sufficient GPR appropriation. A compromise was reached in the 2001-03 biennial budget bill to come up with the current 55 percent state/45 percent MPS funding split.

Table 1 below shows the state's history of funding the MPCP since its inception in 1990-91:

Table 1

Fiscal Year	MPCP Pupils	MPS Aid Reduction (\$ in millions)	Other School Districts Aid Reduction (\$ in million)	Total MPCP Cost/Payments (\$ in millions)
1990-91	300	\$0.7	\$0	\$0.7
1991-92	512	1.4	0	1.4
1992-93	594	1.6	0	1.6
1993-94	704	2.1	0	2.1
1994-95	771	2.5	0	2.5
1995-96	1,288	4.6	0	4.6
1996-97	1,616	7.1	0	7.1
1997-98	1,497	7.0	0	7.0
1998-99	5,761	28.7	0	28.7
1999-00	7,575	19.5	19.5	39.1
2000-01	9,238	24.5	24.5	49.0
2001-02	10,497	26.7	0	59.4
2002-03	11,304	29.5	0	65.6
2003-04	12,882	33.9	0	75.3
2004-05	14,071	39.3	0	82.6
2005-06	14,514	42.2	0	91.3
2006-07	16,500 (est.)	48.3 (est.)	0	107.3
2007-08	17,500 (est.)	52.8 (est.)	0	117.4
2008-09	18,500 (est.)	57.2 (est.)	0	127.2

Under current law, the department calculates MPS' general equalization aid annually in the school aid formula and then deducts an amount identified to be sufficient to fund 45 percent of the estimated cost of the MPCP in that year. It is of note that unlike public school pupils, MPCP pupils are counted and aided by the state on a current year basis.

There are currently 126 MPCP schools participating for the 2006-07 school year.

2003 Wisconsin Act 33 provided that the per pupil payment for the MPCP is increased by the percentage increase in state general equalization aids to public school districts. Elsewhere in its 2007-09 biennial budget request (Decision Item 7501), the department is recommending annual increases in general equalization aids of 3.18 percent and 2.51 percent, respectively, in FY08 and FY09. Thus, according to the department's budget, the estimated MPCP per pupil payment will increase by \$207 over its FY07 level (\$7,669) in FY08 and by an additional \$168 over its FY08 level in FY09.

Funding Split Change Proposal

The department recommends changing the current state funding split for the MPCP so that MPS residents do not pay more on a percentage basis in property taxes for a MPCP pupil than they do for a MPS pupil. Therefore, the department requests the state share of funding the MPCP be increased from 55 percent to 75 percent of the annual cost of this program and that MPS' share be reduced from 45 percent to 25 percent beginning in FY08.

This proposal would increase MPS' general equalization aid indirectly by resulting in a smaller reduction than what it receives under current law. It would not provide MPS with any more money to spend since the additional aid it received would be inside its revenue cap. It would reduce the MPS property tax levy (and state school tax levies) by the same amount of the MPS general equalization aid increase. Lastly, it would not directly take away general equalization aids from any other school district.

This proposal will not increase the GPR needed in the MPCP aid appropriation. Rather, it will reduce the amount of lapse generated to the state general fund from MPS general equalization aids. Table 2 below shows the estimated fiscal effect of both the current law increase in the MPCP aid appropriation required to fund the projected growth in the number of pupils served as well as the impact of this recommendation.

Table 2

MPCP (current law)						
Fiscal Year	FTE Estimate	FTE Payment	FTE Payment Increase	Total MPCP Aid Paid	State Share (55%)	MPS Share/State Aid Lapse (45%)
FY07	16,500	\$6,501		\$107,266,500	\$58,996,575	\$48,269,925
FY08	17,500	\$6,708	\$207	\$117,390,000	\$64,564,500	\$52,825,500
FY09	18,500	\$6,876	\$168	\$127,206,000	\$69,963,300	\$57,242,700
DPI Biennial Budget Proposal						
Fiscal Year	FTE Estimate	FTE Payment	FTE Payment Increase	Total MPCP Aid Paid	State Share (75%)	MPS Share/State Aid Lapse (25%)
FY08	17,500	\$6,708	\$207	\$117,390,000	\$88,042,500	\$29,347,500
FY09	18,500	\$6,876	\$168	\$127,206,000	\$95,404,500	\$31,801,500
FY08 Change in Increased State GPR and Decreased MPS Lapse						\$23,478,000
FY09 Change in Increased State GPR and Decreased MPS Lapse						\$25,441,200
Biennial Change in State GPR and MPS Lapse						\$48,919,200

Statutory Language

The department is proposing statutory language related to this request. See *Milwaukee Parental Choice Program Funding Change* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7503 – MILWAUKEE/RACINE CHARTER SCHOOL PROGRAM REESTIMATE

218 – Charter schools

s. 20.255 (2) (fm)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$44,718,000	\$49,764,000
Less Base	\$39,564,500	\$39,564,500
Requested Change	\$5,153,500	\$10,199,500

Request/Objective

The department requests an increase of \$5,153,500 GPR in FY08 and \$10,199,500 GPR in FY09 to fully fund the Milwaukee Racine Charter Schools Program (MRCSP) under s. 118.40 (2r), Wis. Stats.

Background/Analysis of Need

Aid for the MRCSP is paid from a separate charter school appropriation. The amount of aid paid is proportionately withheld from the general equalization aid payment under s. 20.255 (2) (ac), Wis. Stats., for all of the state's 425 public school districts. In short, the department estimates the total number of pupils expected to enroll in MRCSP schools each year and then totals these funds together for an overall MRCSP figure. The department then calculates the percentage reduction (estimated to be 0.8 percent of all general school aids in FY07) and deducts this amount from each school district's aid entitlement and shows it on each school district's aid worksheet each year. The aid withheld lapses to the state's general fund.

School districts are allowed to increase their property tax levy under their revenue limit to replace the loss of this state aid. The continued growth in the MRCSP will result in school district property taxes nearing \$40 million in FY07. In FY06, the state school district gross property tax levy was \$3.592 billion, of which \$35.5 million (1.0 percent of the total) was tied to the current state approach to funding the MRCSP.

In addition, the state makes a payment to the unified school district, in which the school chartered by UW-Parkside is located, equal to that district's equalization aid per pupil amount multiplied by the number of pupils attending a charter school who were previously enrolled in that unified district. This additional aid is also drawn from the sum sufficient charter school appropriation. The Racine Unified School District (RUSD) is the only district that meets current law aid eligibility under this provision. Unlike the Milwaukee Parental Choice Program (MPCP), there is no overall enrollment cap on the number of pupils that can participate in the MRCSP.

The MRCSP provides direct state assistance to operators of charter schools sponsored by the City of Milwaukee, the UW-Milwaukee, the Milwaukee Area Technical College, and the UW-Parkside. Independent charter schools participating in the MRCSP are not considered to be an instrumentality of any public school district. There are no income eligibility criteria for pupils seeking to enroll in these independent charter schools created by these entities nor any limit on the total number of pupils allowed to enroll in them.

1997 Wisconsin Act 27 authorized the City of Milwaukee, the UW-Milwaukee, and the Milwaukee Area Technical College to operate, or contract with another individual or group to operate, an independent charter school beginning June 1, 1998. 2001 Wisconsin Act 16 expanded the MRCSP to allow the UW-Parkside to establish, or contract to establish, one charter school in a unified school district (Racine)

that is located in the county in which UW-Parkside is located or in an adjacent county. There are currently 15 charter schools participating in the MRCSP.

Table 1 below shows the state's history of funding the MRCSP since its inception in FY99 and estimated payments for 2007-09:

Table 1

Fiscal Year	MRCSP Pupils	MRCSP Per Pupil State Aid Payment	School Districts Aid Reduction(includes Racine School District payment)
1998-99	55	\$6,062	\$350,000
1999-00	193	\$6,272	\$1,210,000
2000-01	1,590	\$6,494	\$9,160,000
2001-02	2,031	\$6,721	\$13,750,000
2002-03	3,402	\$6,951	\$24,212,000
2003-04	3,600	\$7,050	\$26,400,000
2004-05	4,066	\$7,111	\$29,949,700
2005-06	4,473	\$7,519	\$35,465,100
2006-07 (est.)	5,000	\$7,669	\$39,645,000
2007-08 (est.)	5,500	\$7,876	\$44,718,000
2008-09 (est.)	6,000	\$8,044	\$49,764,000

MRCSP pupils are counted and aided by the state on a current year basis. Public school district pupils are counted and aided by the state on a prior year basis.

2003 Wisconsin Act 33 provided that the per pupil payment for the MRCSP is increased by the increase in the per pupil amount paid to private schools participating in the MPCP. The MPCP per pupil payment under the department's budget request (see Decision Item 7502) is to increase by \$207 over the FY07 level in FY08, and \$168 over the FY08 level in FY09. Thus, the estimated MRCSP per pupil payment will increase by \$207 over its FY07 level (\$7,669) in FY08 and by an additional \$168 over its FY08 level in FY09.

Of the estimated amounts shown in Table 1 for FY08 and FY09, it is projected that the RUSD payment will be \$1,400,000 and \$1,500,000, respectively.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7504 – SPECIAL EDUCATION CATEGORICAL AID INCREASE

206 – Aids for special education and school age parents programs

s. 20.255 (2) (b)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$357,771,600	\$382,771,600
Less Base	\$332,771,600	\$332,771,600
Requested Change	\$25,000,000	\$50,000,000

Request/Objective

The department requests \$25,000,000 GPR in FY08 and \$50,000,000 in FY09 to increase special education reimbursement.

Background/Analysis of Need

Federal and state categorical aids for special education have not increased at the same rate as costs. The categorical aid is the state's primary direct fund source to recognize the additional costs of educating children with disabilities. The state level of reimbursement fell below 30 percent of aidable costs starting in FY05 and is projected to fall to just over 26 percent in FY09 without additional state funding. Many believe that, under revenue limits, districts are being forced to take money from regular education to pay for special education.

Special education aids reimburse costs incurred in the prior school year by a school district, Milwaukee charter school, County Children with Disabilities Education Board (CCDEB), or Cooperative Educational Service Agency (CESA).

In 1999 Wisconsin Act 9, the 1999-01 biennial budget, categorical aid was increased by over \$40 million in the biennium in an attempt to maintain the 34.5 percent reimbursement rate provided in FY99.

However, in 2001 Wisconsin Act 16, the 2001-03 biennial budget, state categorical aid was not increased. In 2003 Wisconsin Act 33, the 2003-05 biennial budget, aid was increased by just \$785,500 in FY04 and an additional \$4,304,700 in FY05. In 2005 Wisconsin Act 25, the 2005-07 biennial budget, aid was not increased in FY06 and increased by \$12 million in FY07.

In July 2000, the Wisconsin Supreme Court articulated a new standard for a basic education in *Vincent v. Voight* that describes the "character of instruction" required to be made available through each public school. In the decision, the court found that an equal opportunity for a sound basic education acknowledges that students and districts are not interchangeable and takes into account the needs of disabled students.

Based on the five-year trend of aidable costs from FY01 through FY06, the department projects a 4.6 percent annual growth in special education aidable costs through the 2007-09 biennium.

The following table shows the history of special education aidable costs and reimbursement rates since FY94:

Aid Year	Prior Year Aidable Cost	Percent Change	GPR Appropriation	Actual Reimbursement
1993-94	\$585,879,900	10.8%	\$261,330,400	44.6%
1994-95	625,111,900	6.7%	275,548,700	44.1%
1995-96	661,000,000	5.7%	275,548,700	41.7%
1996-97	698,164,300	5.6%	275,548,700	39.5%
1997-98	747,324,650	7.0%	275,548,700	36.9%
1998-99	799,556,100	7.0%	275,548,700	34.5%
1999-00	839,923,200	5.0%	288,048,700	35.8%
2000-01	880,915,600	4.9%	315,681,400	35.8%
2001-02	936,788,000	6.3%	315,681,400	33.7%
2002-03	994,520,000	6.2%	315,681,400	31.7%
2003-04	1,037,592,000	4.3%	316,466,900	30.5%
2004-05	1,069,514,900	3.1%	320,771,600	29.9%
2005-06	1,110,784,300	3.9%	320,771,600	28.8%

The projections for FY07, FY08 and FY09 special education aid estimated reimbursement rates, based on current law (no increase in the appropriation) are as follows:

Aid Year	Estimated Prior Year Aidable Cost	Percent Change	GPR Appropriation	Estimated Reimbursement
*2006-07	\$1,162,176,400	4.6%	\$332,771,600	28.6%
*2007-08	1,215,946,300	4.6%	332,771,600	27.4%
*2008-09	1,272,203,900	4.6%	332,771,600	26.2%

*Aidable costs are based on an estimated annual increase of 4.6 percent over the prior year.

The estimates above show that the reimbursement rate will continue to decline as special education costs increase.

Maintaining the same level of categorical aid, while special education costs continue to rise, effectively shifts the funding source for special education programs to general aids and property taxes. The remaining special education costs that are not reimbursed by the state or federal governments are eligible for reimbursement under state general equalization aids; however, revenue limits restrict the amount of state general equalization aids and property tax revenue a school district may receive. Despite continuing increases in general equalization aids (which are inside the revenue limits), rising special education costs have essentially reduced the spending authority of some school districts for regular education.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7505 – LOW REVENUE CEILING ADJUSTMENT

FISCAL SUMMARY	
2007-08 Request	2008-09 Request
\$0	\$0

Request/Objective

The department proposes to increase the per pupil low revenue ceiling amount by \$300 annually, to \$8,700 in FY08 and to \$9,000 in FY09, to continue to provide the state's lowest spending districts with the opportunity to narrow the disparity with the highest spending districts.

There is no state fiscal impact. However, this proposal would allow approximately 100 of the state's school districts to increase their revenues beyond the annual allowable per pupil adjustment each year with an estimated fiscal impact of \$4-5 million in additional revenue limit authority in FY08 and \$8-10 million in additional authority in FY09.

Background/Analysis of Need

Revenue limits were imposed on school districts beginning in 1993-94 and have now been in place for 14 years. One of the many arguments against revenue limits over time has been that frugal, "low spending" districts in 1992-93 have been "locked in" place as revenue limits have been calculated on a flat per pupil basis since their inception.

Since 1995-96, however, the state has established a per pupil "low revenue" ceiling figure that allows districts to increase their per pupil revenues to this amount without having to go to referenda. Use of the low revenue ceiling is not required; rather, it is an option for districts to increase their revenues to this figure if they so choose.

However, absent action in the 2007-09 biennium, the low revenue ceiling will remain at the FY07 figure (\$8,400). It would then assist fewer districts unless it is increased each and every year by a figure that exceeds the state allowable per pupil adjustment of approximately \$265-275 annually in FY08 and FY09.

Increasing the "low revenue ceiling" figure is arguably the state's best tool to provide its lowest revenue districts with the opportunity to increase their revenues to narrow the gap with the state's highest revenue districts so long as revenue limits are in place.

Recently, increases in the low revenue ceiling (see Table 1 below) have benefited roughly 15-20 percent of the state's lowest revenue districts. Districts choosing to utilize this additional revenue limit authority are able to do so on a permanent basis, helping them maintain their current programs.

It is expected the statewide average base revenue per pupil for 2005-06 will be approximately \$8,710 (it was \$8,418 in 2004-05). Thus, the \$8,100 low revenue ceiling figure for 2005-06 represented roughly 93 percent of the statewide average revenue per pupil in that year.

Assuming inflation will be roughly 3.0 percent annually for the next two years, the revenue limit per pupil annual increase will be approximately \$265 in FY08 and \$273 in FY09. Thus, it is necessary to increase the low revenue ceiling figure by an amount greater than these figures on an annual basis for it to have an impact for low revenue districts.

Table 1

Fiscal Year	Low Revenue Ceiling Per Pupil	# of Districts Eligible to Use Low Revenue Ceiling
1995-96	\$5,300	29
1996-97	\$5,600	33
1997-98	\$5,900	41
1998-99	\$6,100	16
1999-00	\$6,300	5
2000-01	\$6,500	6
2001-02	\$6,700	4
2002-03	\$6,900	2
2003-04	\$7,400	53
2004-05	\$7,800	88
2005-06	\$8,100	86
2006-07	\$8,400	95+ (est.)

Statutory Language

The department is proposing statutory language related to this request. See *Low Revenue Ceiling Adjustment* in the Statutory Language section of this document.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 7506 – FULLY FUND OPEN ENROLLMENT TRANSPORTATION REIMBURSEMENT

271 – Aid for transportation; open enrollment
s. 20.255 (2) (cy)

FISCAL SUMMARY		
	2007-08 Request	2008-09 Request
Requested Aid	\$823,500	\$901,800
Less Base	\$500,000	\$500,000
Requested Change	\$323,500	\$401,800

Request/Objective

The department requests \$323,500 GPR in FY08 and \$401,800 GPR in FY09 to fully fund the open enrollment transportation reimbursement appropriation.

Background/Analysis of Need

The public school open enrollment program permits parents to apply for their children to attend school in a school district other than the district in which they reside. Parents of participating students are required to transport their children to and from school in the nonresident school district. Low-income parents may apply to the department for reimbursement of their transportation costs.

Starting in FY03, claims for reimbursement received from low-income parents' transportation expenses exceeded the appropriated amount available. In that year, payments were prorated at 98.7 percent. The number of students participating in open enrollment, including the number of low-income students, has increased annually, resulting in corresponding increases in total reimbursement claims. It is estimated the department may have to prorate claims at 60.7 percent in FY08 and at 55.4 percent in FY09 if additional funding is not provided.

The Legislature, in enacting open enrollment, was concerned that low-income families should have an equal ability to participate in the open enrollment program. Although the Legislative Council Committee that drafted the open enrollment law did not know how many students would initially participate, nor what kind of growth the program would experience, the committee believed it was important to appropriate a significant amount of funding for transportation expenses for low-income parents. The Legislative Council Committee understood that the funding may eventually fall short and have to be prorated. The Legislature appropriated \$1,000,000 GPR for reimbursement of low-income parents' transportation expenses when open enrollment was first enacted in FY99. The first year of open enrollment, total claims equaled only \$80,500 GPR. Thus, the appropriation was reduced in the 1999-2001 biennium to \$275,000 GPR in FY00 and \$500,000 GPR in FY01. To date, the appropriation has remained at the FY01 appropriated level of \$500,000 GPR.

The table below represents the history of open enrollment transportation reimbursement:

School Year	Total Students Receiving Reimbursement	Total Amt of Reimbursement Claims	Total Appropriation	Surplus or Shortfall	Proration Factor
1998-99	142	\$80,467	\$1,000,000	\$919,533	NA
1999-00	243	\$135,578	\$275,000	\$139,422	NA
2000-01	405	\$219,306	\$500,000	\$280,694	NA
2001-02	617	\$398,277	\$500,000	\$101,723	NA
2002-03	768	\$506,664	\$500,000	-\$6,664	98.68%
2003-04	902	\$545,678	\$500,000	-\$45,678	91.63%
2004-05	992	\$626,982	\$500,000	-\$126,982	79.75%
2005-06	942	\$686,796	\$500,000	-\$186,796	72.80%
2006-07 (est)	1,087	\$752,041	\$500,000	-\$252,041	66.49%
2007-08 (est)	1,222	\$823,485	\$500,000	-\$323,485	60.72%
2008-09 (est)	1,357	\$901,756	\$500,000	-\$401,756	55.45%

In FY05, 5.4 percent of the actual open enrollment student transfers received transportation reimbursement. The department estimates for FY06 through FY09, 4.5 percent of the total open enrollment students would receive transportation reimbursement each year. In FY05, the actual dollar amount of reimbursement claims increased by 14.9 percent. The department estimates for FY06 through FY09, the increase in the dollar amount of reimbursement claims will increase by a rate of 9.5 percent.

The request of \$323,500 GPR in FY08 and \$401,800 in FY09 would still not restore the \$1.0 million originally appropriated, but it would meet the committee's original intent to fully fund claims up to the \$1.0 million level.

Even if the appropriation is fully funded, families are not necessarily reimbursed for their full expenses for transportation. The mileage reimbursement in the department's administrative rules is equal to the state's turndown rate for employee mileage reimbursement and is less than the per mile cost estimated by the federal government. In addition, there is a per pupil maximum amount of reimbursement equal to three times the state average transportation cost. Thus, a family who has a long round trip may not be reimbursed its full costs, regardless of the mileage rate. The table below represents the history of the maximum amount per student for each year of the program.

School Year	Reimbursement per Mile	Maximum Reimbursement (full reimbursement)	Maximum Reimbursement (prorated)
1998-99	\$0.19	\$986.22	NA
1999-00	\$0.19	\$986.22	NA
2000-01	\$0.19	\$987.39	NA
2001-02	\$0.19	\$1,065.06	NA
2002-03	\$0.22	\$1,114.14	\$1,095.82
2003-04	\$0.22	\$910.92	\$834.22
2004-05	\$0.22	\$1,129.52	\$900.23
2005-06	\$0.28	\$963.21	\$701.22
2006-07	\$0.28	\$989.02	\$657.60

Both the lower mileage rate and the maximum reimbursement have been useful in reducing parents' claims for reimbursement. But when the already low reimbursement amount is further prorated, it becomes more and more difficult for families to participate in open enrollment. This has become an even greater issue with the rapid increase in gasoline prices that are being experienced across the state.

Statutory Language

The department is not proposing any statutory language related to this request.

DPI 2007-09 BIENNIAL BUDGET REQUEST

DECISION ITEM 3001 – TURNOVER REDUCTION

See Appropriations Below

FISCAL SUMMARY			
Numeric Appropriation	Alpha Appropriation	2007-08 Request	2008-09 Request
101	s. 20.255 (1) (a)	- \$173,200	- \$173,200
102	s. 20.255 (1) (b)	- \$208,000	- \$208,000
141	s. 20.255 (1) (me)	- \$371,200	- \$371,200
Total		- \$752,400	- \$752,400

The department requests -\$381,200 GPR and -\$371,200 PR-F in FY08 and FY09 as the department's required turnover reduction in appropriations funding more than 50 FTE permanent positions. A detailed calculation is available on a separate spreadsheet from the Policy and Budget Team.

DPI 2007-09 BIENNIAL BUDGET REQUEST**DECISION ITEM 3003 – FULL FUNDING OF CONTINUING SALARIES AND FRINGE**

See Appropriations Below

FISCAL SUMMARY			
Numeric Appropriation	Alpha Appropriation	2007-08 Request	2008-09 Request
101	s. 20.255 (1) (a)	\$792,800	\$792,800
102	s. 20.255 (1) (b)	\$344,900	\$344,900
122	s. 20.255 (1) (hg)	\$169,500	\$169,500
124	s. 20.255 (1) (i)	\$8,500	\$8,500
125	s. 20.255 (1) (jg)	\$22,600	\$22,600
129	s. 20.255 (1) (km)	- \$25,000	- \$25,000
130	s. 20.255 (1) (hj)	\$7,900	\$7,900
131	s. 20.255 (1) (ks)	\$162,000	\$162,000
132	s. 20.255 (1) (ke)	\$60,400	\$60,400
133	s. 20.255 (1) (kd)	\$57,200	\$57,200
134	s. 20.255 (1) (hm)	\$11,400	\$11,400
141	s. 20.255 (1) (me)	\$2,066,000	\$2,066,000
146	s. 20.255 (1) (pz)	\$67,900	\$67,900
Total		\$3,746,100	\$3,746,100

The department requests \$1,137,700 GPR, \$208,500 PR, \$266,000 PR-S and \$2,133,900 PR-F in FY08 and FY09 to adjust the amount needed to bring salary and fringe amounts to FY07 levels. A detailed calculation is available on a separate spreadsheet from the Policy and Budget Team.

DPI 2007-09 BIENNIAL BUDGET REQUEST**DECISION ITEM 3007 – OVERTIME**

See Appropriations Below

FISCAL SUMMARY			
Numeric Appropriation	Alpha Appropriation	2007-08 Request	2008-09 Request
101	s. 20.255 (1) (a)	\$10,700	\$10,700
102	s. 20.255 (1) (b)	\$272,600	\$272,600
122	s. 20.255 (1) (hg)	\$3,000	\$3,000
124	s. 20.255 (1) (i)	\$500	\$500
125	s. 20.255 (1) (jg)	\$200	\$200
131	s. 20.255 (1) (ks)	\$100	\$100
132	s. 20.255 (1) (ke)	\$9,800	\$9,800
133	s. 20.255 (1) (kd)	\$600	\$600
141	s. 20.255 (1) (me)	\$37,500	\$37,500
146	s. 20.255 (1) (pz)	\$14,500	\$14,500
Total		\$349,500	\$349,500

The department requests \$283,300 GPR, \$3,700 PR, \$10,500 PR-S and \$52,000 PR-F in FY08 and FY09 to restore funds for overtime that were removed in the full funding calculation. The amount requested is based on salary amounts approved in 2005 Wisconsin Act 25. Fringe benefits are calculated at the variable fringe rate of 19.45 percent.

DPI 2007-09 BIENNIAL BUDGET REQUEST**DECISION ITEM 3008 – NIGHT AND WEEKEND DIFFERENTIAL**

See Appropriations Below

FISCAL SUMMARY			
Numeric Appropriation	Alpha Appropriation	2007-08 Request	2008-09 Request
101	s. 20.255 (1) (a)	\$500	\$500
102	s. 20.255 (1) (b)	\$56,700	\$56,700
132	s. 20.255 (1) (ke)	\$200	\$200
141	s. 20.255 (1) (me)	\$200	\$200
146	s. 20.255 (1) (pz)	\$200	\$200
Total		\$57,800	\$57,800

The department requests \$57,200 GPR, \$200 PR-S and \$400 PR-F in FY08 and FY09 to restore funds for night and weekend differential that were removed in the full funding calculation. The amount requested is based on salary amounts approved in 2005 Wisconsin Act 25. Fringe benefits are calculated at the variable fringe rate of 19.45 percent.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 4002*)

Subject: World Languages Initiative for Elementary Schools

Request Date: September 15, 2006

Agency Contact: Paul Sandrock (266-3079)
Mike Te Ronde (266-5186)

Brief Description of Intent:

Create a Chapter 20 appropriation line for a new initiative entitled Grants for elementary world languages.

The proposal is structured around four components:

Component #1: Application, Phase-In of Sites

Quality of application, ability to raise local resources as mentioned above, and regional allocation will be the criteria for selecting applicants for grants. Evaluators are to strive to create a balance between rural, suburban, and urban schools. Twenty-five new sites will be added each year through the first four years of the program, meeting the department's goal of having 100 sites up and running within four years.

Component #2: Partial Compensation Package Reimbursement

The grant will pay a portion of teaching salaries for teachers hired under this program for a limited time during the build-up of the program, starting with first grade and adding a grade level each year until the language instruction is in place in grades 1-6. Per award, the grant will pay for:

- \$30,000 of one teacher's compensation package for each of years one and two.
- \$30,000 of each of two teachers' compensation packages for each of years three and four.
- \$15,000 of each of two teachers' salary packages for each of years five and six.
- School districts will be expected to provide the remainder of the teacher's compensation package, and to pay for sending the affected teachers to the professional development activities outlined below which state money does not cover.

Component #3: Professional Development

Special-focus seminars will bring together teachers from across the state who are implementing the local programs under this proposal. Workshops will be provided for the language teachers partially subsidized through this program as well as for two classroom teachers in the newly added grades. These three teachers in each participating school must attend two workshops each year. Under this proposal, participation costs are paid up to \$250 per workshop, with three teachers per school participating in two workshops per year.

Component #4: Curriculum Development and Materials

Curriculum development and materials will be provided to schools as part of an additional annual grant of \$1,000 for each participating school.

Related Stat. Citations:

Establish a new categorical aid under s. 20.255 (2) (ch), Wis. Stats., for grants for elementary world languages.

Create a new section under Chapter 115, Wis. Stats., to establish the new grant program.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 4003*)

Subject: Wisconsin Education for STEM

Request Date: September 15, 2006

Agency Contact: Margaret Ellibee (267-9251)
Mike Te Ronde (266-5186)

Brief Description of Intent:

Create a Chapter 20 appropriation line for a new initiative entitled Grants for science, technology, engineering, mathematics programming.

The department is requesting this statutory change because the proposed program, which has the acronym STEM, would annually distribute \$61,500 GPR in mini-grants to create systems and processes for identifying and supporting under-represented and academically challenged students in STEM earlier than in the past. This will be implemented by providing mini-grants to school districts on a competitive basis. The money is to be used to provide schools with seed money to develop innovative STEM instructional programming, targeting students under-represented in STEM, and increase academic and technical achievement.

Related Stat. Citations:

Establish a new categorical aid under s. 20.255 (2) (fz), Wis. Stats., Grants for science, technology, engineering, mathematics programming.

Create a new section under Chapter 115, Wis. Stats., to establish the new grant program.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 4501*)

Subject: Restore Arts to MPS

Request Date: September 15, 2006

Agency Contact: Mike George (266-2364)
Mike TeRonde (266-5186)

Brief Description of Intent:

The department requests \$1,000,000 GPR in FY09 for a competitive grant to support arts education to elementary level schools in Milwaukee Public Schools (MPS). The grant would be awarded annually for two years. The grantee would award subgrants to qualifying MPS elementary schools.

The department recommends that the grant program be a vehicle for reaching students of color and English language learners. The arts programs proposed should focus on the cultural heritage of the students. For example, utilize folk or ethnic music and ensembles and indigenous world music and forms of expression, as well as drama, dance, and art that reflects the heritage of the school and community population.

The funding will support a competitive grant awarded to a non-profit entity or entities to collaborate and provide programming to qualifying elementary schools in MPS.

It is also proposed that these grants be for two years, after which MPS would need to provide its own funding in the schools to continue any new programming. Under this scenario, the grants would continue into the 2009-11 biennium, and then would sunset after FY10. The first year of the 2007-09 biennium would focus on dissemination and planning. The grant would be first awarded for the 2008-09 school year.

Related Stat. Citations:

Establish a new categorical aid under s. 20.255 (3) (dq), Wis. Stats., Grants for elementary arts education.

Create a new section under Chapter 115, Wis. Stats., to establish the new grant program.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 4503*)

Subject: Extended Calendar Pilot Grants to MPS

Request Date: September 15, 2006

Agency Contact: Mike George (266-2364)
Mike Bormett (266-2804)

Brief Description of Intent:

The department requests \$1,500,000 GPR in FY09 to provide grants to Milwaukee Public Schools (MPS) for extended calendar pilot projects. An extended-year calendar is where a school goes beyond the traditional 180 days and/or summer school offerings to provide additional days of classroom instruction.

This request will fund up to three pilot school projects in MPS for the 2008-09 school year. The funding, however, will not necessarily be split evenly among three schools. The size of the pilot schools' enrollment will determine the number of grants that can awarded. For example, in MPS the 2004-05 cost per member was approximately \$11,300. Divided by 180 days, this equals approximately \$63/day/pupil. Thus, an MPS pilot school site could receive up to \$63/day per pupil in the school. The grant will fund up to 30 additional days of instruction per school. This translates into 793 pupils that could be served under the grant (30 days x \$63/day x 793 pupils).

The department will solicit pilot applications from MPS schools during FY08.

Related Stat. Citations:

Create s. 20.255 (2) (dr), Wis. Stats., Grants to Milwaukee schools for extended calendar pilot projects.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 4505*)

Subject: Restore Driver Education Aid for Low-Income Pupils

Request Date: September 15, 2006

Agency Contact: Randy Thiel (266-9677)
Mike Bormett (266-2804)

Brief Description of Intent:

The department requests \$100,000 GPR in both FY08 and FY09 to create a new categorical aid program to provide \$150 per pupil for Milwaukee Public Schools (MPS) pupils taking an approved driver education (DE) course. To qualify for the aid, eligible pupils' families or guardians would need to be free and reduced-price lunch (FRL) income-eligible, and MPS would reduce their DE pupil fee by \$150.

To target the proposed categorical aid, MPS would report to the department only those pupils who took a DE class and whose family or guardian was FRL-eligible. MPS would receive \$150 per eligible pupil up to 666 pupils annually ($\$150 \times 666 = \$99,900$). MPS' overall 2004-05 high school FRL rate was approximately 67 percent. In exchange for the additional aid, MPS would be required to reduce the eligible pupils' fee for the DE class by \$150.

If more pupils were eligible for the aid than budgeted, the per pupil rate would be prorated. In addition, the department proposes to make the grant program sunset on June 30, 2011. This would allow for a review of three years of the program (FY08-FY10) to assess its effectiveness prior to submission of the department's 2011-13 biennial budget request in 2010. If the program proves effective, the department could request elimination of the sunset.

Related Stat. Citations:

Modify existing s. 20.255 (2) (em), Wis. Stats., Driver education; local assistance, to reflect this new proposal. If funds are insufficient to reimburse all eligible pupils, the department will prorate the \$150 payment.

Note that the driver education appropriation, s. 20.255 (2) (em), Wis. Stats., is currently a zero dollar appropriation. Therefore, per notification of a technical problem by the Department of Administration on September 12, 2006, it does not appear in the department's base B-2 forms.

Create a new subsection under s. 121.41, Wis. Stats., to establish the new grant program.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 5001*)

Subject: Transportation Aid

Request Date: September 15, 2006

Agency Contact: Brian Pahnke (267-9124)
Mike Bormett (266-2804)

Brief Description of Intent:

There are two components to this request:

- Increase the reimbursement rate for pupils transported over 12 miles from \$180 to \$220 per pupil for both years of the 2007-09 biennium. No additional GPR funds are needed; the base appropriation is projected to be sufficient.
- Request statutory language similar to that in 2005 Assembly Bill 726 which allows schools to claim refunds of the motor vehicle fuel tax.

Related Stat. Citations:

Update per pupil transportation aid rates as described above in s. 121.58, Wis. Stats.

Incorporate provisions of 2005 Assembly Bill 726 related to creation of a motor fuel tax exemption for schools. The refunds would also apply to a person/company that transports pupils to/from school activities under a contract with a school district.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 5002*)

Subject: Sparsity Aid for Small/Rural Districts

Request Date: September 15, 2006

Agency Contact: Brian Pahnke (267-9124)
Mike Bormett (266-2804)

Brief Description of Intent:

The department requests \$26,462,400 in FY09 to create a new statewide, categorical aid program for small, rural districts that meet certain criteria and provide them with additional funding to be used for locally-determined purposes.

This proposal would establish the following eligibility criteria: (1) district enrollment of under 2,000; (2) students per square mile under 15; and (3) a district free or reduced price-lunch (FRL) eligibility of at least 20 percent. For those districts that qualify, per pupil aid would be \$300 for districts with FRL above 40 percent and \$150 for districts with FRL between 20 percent and 40 percent. Funds could be used for any purpose.

In addition, the department would require eligible districts to report back to their local communities on the use of these funds each year at their annual meeting (if applicable), as well as to the department. To the extent new state aid would assist in addressing certain costs currently incurred under revenue limits, districts would have funds “freed up” to use for other purposes (i.e. classroom).

Related Stat. Citations:

Under s. 20.255 (2), Wis. Stats., create a new paragraph for a continuing appropriation of \$26,462,400 GPR FY09 to create a new small, rural district aid program.

In Chapter 115, Wis. Stats., create a new section to establish the aid program. The department would promulgate rules to administer the aid. If appropriated funds are insufficient, allow the department to prorate payments.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 5003*)

Subject: Declining Enrollment Revenue Limit Exemptions

Request Date: September 15, 2006

Agency Contact: Brian Pahnke (267-9124)
Mike Bormett (266-2804)

Brief Description of Intent:

The department requests two statutory language changes related to revenue limit calculations: (1) Provide that all districts receive at least their base total revenue limit, even if their enrollment decline along with their inflationary adjustment and low revenue ceiling increase (if applicable) are less than their base; and (2) Increase the current 75 percent declining enrollment provision to a 100 percent, or full, hold harmless provision on a non-recurring basis.

Related Stat. Citations:

Amend revenue limit exemptions/adjustment in s. 121.91, Wis. Stats., to reflect above two changes.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 6002*)

Subject: Expanded Bilingual-Bicultural Education Aid

Request Date: September 15, 2006

Agency Contact: Michael George (266-2364)
Lori Slauson (267-9127)

Brief Description of Intent:

The current bilingual-bicultural aid program establishes limited-English proficient (LEP) pupil thresholds that trigger required services and programs. Many districts with LEP enrollments below these thresholds are not required to establish LEP programs under state law and, if begun, their programs are not eligible for state aid. Districts are required to establish programs when there are:

- Within a language group, 10 or more LEP pupils in kindergarten to grade 3; or
- Within a language group, 20 or more LEP pupils in grades 4 to 8 in elementary, middle or junior high school; or
- Within a language group, 20 or more LEP pupils in grades 9 to 12 in high school.

The department recommends keeping the existing program and creating a new grant program in FY09 to aid programs for LEP pupils that are not eligible under s. 115.97, Wis. Stats. In addition, the department recommends that all districts receiving bilingual-bicultural aid be required to annually submit a report on bilingual-bicultural education to the State Superintendent. Furthermore, all districts receiving bilingual-bicultural aid that do not meet the LEP thresholds under statute, would be required to have certified English as a second language or bilingual-bicultural instructors teach LEP pupils if the district has 20 or more LEP pupils of various language groups in kindergarten to grade 3 in elementary school; grades 4 to 8 in elementary, middle or junior high school; or grades 9 to 12 in high school.

Related Stat. Citations:

Under s. 20.255 (2) (cd), Wis. Stats., appropriate \$6,195,000 GPR in FY09 to create a new bilingual-bicultural categorical aid program to award \$350 per LEP pupil to districts that have LEP populations below the statutory threshold and thus do not qualify for categorical aid under s. 115.97 (2) (3) and (4), Wis. Stats.

Under Subchapter VII of Chapter 115, Wis. Stats., create a new section or modify an existing section to establish the new grant program. If appropriated funds are insufficient, allow the department to prorate payments.

Under s. 115.993, Wis. Stats., modify the reporting requirements to also apply to school districts that are not required to offer a bilingual-bicultural education program but will be receiving aid under the new grant program.

Under s. 115.995, Wis. Stats., require that a school district that is not required to offer a bilingual-bicultural education program to provide instruction in bilingual-bicultural education by a certified teacher of English as a second language or by a bilingual teacher if the district has 20 or more LEP pupils of various language groups in kindergarten to grade 3 in elementary school; grades 4 to 8 in elementary, middle or junior high school; or grades 9 to 12 in attendance at a high school.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 6004*)

Subject: SAGE Program: Add New Schools

Request Date: September 15, 2006

Agency Contact: Janice Zmrazek (266-2489)
Mike Te Ronde (266-5186)

Brief Description of Intent:

Amend the statutes to allow a fourth wave of schools to enter and phase-in the SAGE program beginning in the 2008-09 school year (FY09). For contracts beginning in the 2008-09 school year, reduce class size to 15 in the following manner:

- In the 2008-09 school year, in at least grades kindergarten and one.
- In the 2009-10 school year, in at least grades kindergarten to 2.
- In the 2010-11 school year, in at least grades kindergarten to 3.

In accepting new schools into the program, require the department to give priority to the schools that have the highest percentage of low-income enrollment.

Related Stat. Citations:

Amend s. 118.43, Wis. Stats., as necessary to accomplish the objective outlined above.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 6005*)

Subject: Precollege Scholarship Program

Request Date: September 15, 2006

Agency Contact: Kevin Ingram (414/227-4413)
Sheila Ellefson (608/266-9353)
Mike Te Ronde (608/266-5186)

Brief Description of Intent:

The Precollege Scholarship Program (PSP) was initiated in 1985 as the Minority Group Pupil Scholarship Program (MGPSP). As the MGPSP, it awarded precollege scholarships to minority group applicants regardless of their economic circumstances. A major milestone in the history of the program occurred when the term “minority” was dropped from its name as a result of an agreement the department reached with the Office of Civil Rights of the U.S. Department of Education in November 2004. As a result, PSP is now used to help students, regardless of race, who are eligible for free and reduced-price lunch. This has resulted in the program being re-named the Precollege Scholarship Program. Under both names (PSP and MGPSP), the program has been administered by the department’s Wisconsin Educational Opportunities Program (WEOP). Appropriate changes need to be made in the statutes to reflect this name change. Therefore, the department requests statutory language to amend:

- Section 20.255 (3) (fz), Wis. Stats., which is part of the Chapter 20 appropriations schedule, to read “Precollege scholarships.” (The current title is “Minority group pupil scholarships.”)
- Section 115.43, Wis. Stats., to properly reflect the program’s new focus.
- Any other section of the statutes that needs to be changed to carry out the intent of the agreement the department reached with the Office of Civil Rights of the U.S. Department of Education in November 2004.

Related Stat. Citations:

Section 20.225 (3) (fz), Wis. Stats.

Section 115.43, Wis. Stats.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 6006*)

Subject: Assuring Early Learning Opportunities

Request Date: September 15, 2006

Agency Contact: Brian Pahnke (267-9124)
Gayle Krueger (266-3892)

Brief Description of Intent:

The department requests statutory language that would permit school districts, beginning in FY09, to count an additional 0.1 FTE toward state aid and revenue limits for each 4K pupil enrolled in a program that uses "community approaches."

During FY08, the department would promulgate administrative rules to administer the program, including the definition of "community approaches," how compliance with the definition would be determined, and a timeline for making determinations of eligibility for FY09.

Related Stat. Citations:

Amend s. 121.004 (7) (cm), Wis. Stats.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 6007*)

Subject: School Breakfast Reimbursement Rate

Request Date: September 15, 2006

Agency Contact: Richard Mortensen (267-9121)
Lori Slauson (267-9127)

Brief Description of Intent:

Request \$1,229,700 GPR in FY08 and \$1,458,200 GPR in FY09 to increase the per meal reimbursement rate from 10 cents to 15 cents per breakfast served by public and private schools under the state's School Breakfast Program.

Related Stat. Citations:

Under s. 20.255 (2) (cm), Wis. Stats., appropriate \$2,285,100 in FY08 and \$2,513,600 in FY09 to increase funds for the program.

Modify s. 115.341 (1), Wis. Stats., to change the per meal reimbursement rate from 10 cents to 15 cents per breakfast served by public and private schools under the program.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 6008*)

Subject: Eliminate Reduced-Price School Breakfast Fee

Request Date: September 15, 2006

Agency Contact: Rich Mortensen (267-9121)
Lori Slauson (267-9127)

Brief Description of Intent:

The U.S. Department of Agriculture awards cash subsidies to participating entities for each meal they serve. In return, they must serve breakfasts that meet federal requirements under 7 CFR 220.8 or 220.8a, and they must offer free or reduced-price breakfasts to eligible children. Children from families with incomes between 130 percent and 185 percent of the poverty level are eligible for reduced-price meals. Participating entities may charge no more than 30 cents per meal to children eligible for reduced-price meals.

Request \$1,100,000 GPR annually in FY08 and FY09 to create a new grant program to pay the 30 cents charged to each student for his or her reduced-price breakfast, thus allowing the student to eat a free breakfast.

Related Stat. Citations:

Under s. 20.255 (2) (ck), Wis. Stats., appropriate \$1,100,000 GPR annually in FY08 and FY09 to pay the 30 cents charged to each student for his or her reduced-price breakfast. If appropriated funds are insufficient, allow the department to prorate payments. Participating entities would have to guarantee reduced-price children a free meal regardless of the possible proration of funds.

Create a new subsection under s. 115.341, Wis. Stats., to allow the State Superintendent to reimburse each school board 30 cents for each breakfast served to a child eligible to receive a reduced-price breakfast.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 6010*)

Subject: American Indian Education

Request Date: September 15, 2006

Agency Contact: J.P. Leary (267-2283)
Mike Bormett (266-2804)

Brief Description of Intent:

The department requests \$60,000 PR-S in FY08 and \$40,000 PR-S in FY09 to support a systematic study of the needs of American Indian students to identify critical concerns and possible interventions. The PR-S funding would come from tribal gaming revenues paid to the state.

Related Stat. Citations:

Create a new appropriation under s. 20.255 (1) (kc), Wis. Stats., American Indian studies; program operations. Appropriate \$60,000 in FY08 and \$40,000 in FY09.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 6012*)

Subject: Expanding Access to School Health Services

Request Date: September 15, 2006

Agency Contact: Linda Caldart-Olson, RN, MS (266-8857)
Lori Slauson (267-9127)

Brief Description of Intent:

The department requests \$925,000 GPR annually in FY08 and FY09 to award competitive grants to public school districts to improve student access to school nurses and health services. Grant funds may be used to provide school nurse positions or to provide additional nursing services to schools. Schools must use the funds to expand nursing capacity. Funds may not be used to hire or contract for health services to replace existing staff or to supplant existing services. Schools receiving funds will be required to collect data to determine outcomes of increased nursing services.

Related Stat. Citations:

Establish a new categorical aid under s. 20.255 (2) (fa), Wis. Stats., Grants for school health services. Appropriate \$925,000 GPR annually in FY08 and FY09.

Create a new section under Chapter 115, Wis. Stats., to establish the new grant program.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 6013*)

Subject: Before and After School Learning Opportunities

Request Date: September 15, 2006

Agency Contact: Doug White (266-5198)
Lori Slauson (267-9127)

Brief Description of Intent:

The department requests \$4,750,000 GPR annually beginning in FY09 to award grants to public schools, community organizations, and local units of government to support and expand extended learning opportunities (before and after school programs).

Program requirements and options are proposed as follows:

- Public schools, community organizations, and local units of government may apply for the grants.
- A partnership between one or more schools and one or more community organizations is required. Applicants must collaborate with other community partners including, but not limited to, the following: public and nonprofit agencies and organizations, child care providers, local and county units of government, faith-based organizations, businesses, educational entities (such as vocational education programs, school-to-work programs, community colleges and universities), recreational programs, cultural programs, and other community service entities. Priority will be given to applicants with collaborative, community-wide needs assessment, planning and development processes.
- Applicants must provide a 20 percent cash match or in-kind contribution.
- Extended learning opportunity programs will serve school-age children and youth in non-school hours.
- Extended learning opportunity programs will enhance academic achievement and enrichment and positive youth development. To achieve these goals, the program will provide a well-balanced and diverse set of program activities, such as a safe and supportive environment; nutritious snacks and/or meals; physical activity; academic services such as tutoring and group instruction in reading, math, science, service learning, social studies/civic education, visual and performing arts, career and technical education, and financial education; extended library access; youth development programs to support social and emotional learning, youth leadership, prevention of drug use and violence, and related issues. Family involvement will be an essential component to assure the services are appropriate and meeting needs.
- Priority shall be given to programs serving schools that have 30 percent of their student population eligible for free and reduced-price lunch or the equivalent. Next, priority will be given to programs that serve students with academic and behavioral needs.
- Programs will include components of a high quality before or after school program as confirmed by research.

- Programs will take part in a systematic statewide evaluation to demonstrate results and use those to improve the program.

Related Stat. Citations:

Establish a new categorical aid under s. 20.255 (2) (dp), Wis. Stats., Grants for before and after school learning opportunities. Appropriate \$4,750,000 GPR annually beginning in FY09.

Create a new section under Chapter 115, Wis. Stats., to establish the new grant program.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 6014*)

Subject: Enhancing PK-16 Councils

Request Date: September 15, 2006

Agency Contact: Sue Grady (267-1063)
Mike Bormett (266-2804)

Brief Description of Intent:

The department requests \$385,000 GPR in both FY08 and FY09 to strengthen the existing UW System regional PK-16 efforts started in 2001. Funding would be split as follows:

1. \$325,000 each year for grants to regional PK-16 councils, with specific membership and duties related to receipt of the grant.

To be eligible for a grant, a UW System campus, on behalf of its regional PK-16 council and efforts, must apply and demonstrate the following:

- Broad membership from (in addition to the UW campus): a Wisconsin Technical College System (WTCS) school, a Wisconsin Association of Independent Colleges and Universities (WAICU) member, a Cooperative Educational Service Agency (CESA), PK-12 districts, the business community, local government (including tribal), legislators, teachers' union and local or regional workforce development entities.
- Senior leadership from the members, such as UW Chancellor's office, WTCS president, PK-12 superintendent, CESA administrator, WAICU president or chief academic officer, etc.
- A description of proposed efforts to strengthen and formalize the network of PK-16 entities in their region.

In addition to the current efforts of the PK-16 councils surrounding teacher preparation and quality training, eligible activities for the regional PK-16 council under the grant will be:

- Collecting and using regional data (education, census, and otherwise) to make recommendations for raising student achievement, closing the achievement gap, and establishing career pathways for students by examining:
 - Student achievement trends.
 - Postsecondary intentions and enrollment.
 - Educational best practices to improve achievement.
 - Workforce readiness and development needs.
- Submitting a summary of the regional data analysis to the department.

Individual or combined UW System campuses would be eligible to apply for the grants on behalf of their PK-16 councils/efforts. The campus(es) and PK-16 efforts would need to comply with the membership and expectations of the grant as listed above. A campus applicant will need to select at least one of the priority areas listed above as its focus, explain why this is most relevant to their region and what the expected outcomes of their work will be.

2. \$60,000 each year for four regional “Efficiency Through Collaboration” grants of up to \$15,000 each.

There would be up to four competitive grants of up to \$15,000 each awarded each year, the purpose of which is to fund efficiency studies among the PK-16 entities in the region. Again, the 13 UW campuses would be eligible to apply on behalf of their regional PK-16 councils/efforts.

These efficiency grants are proposed in response to the impact of PK-12 revenue limits and the need for public schools to look for ways to both save costs and retain important programs. Some of the possible efficiency efforts could include:

- Coordination of programs leading to greater student access of advanced or specialized coursework.
- Joint provision of special education services.
- Coordination of professional development.
- Leveraging distance education facilities among PK-12, WTCS and UW locations.

The grant would be paid to the UW campus and PK-16 council, but it is expected that the PK-12 community would lead the study within the PK-16 council, and would involve all partners in looking for efficiencies and opportunities for resource sharing.

Grantees would be required to submit a final report to the department describing the outcomes from the efficiency study and plans for implementation.

The department will promulgate administrative rules for awarding both grants.

Related Stat. Citations:

Create a new appropriation s. 20.255 (2) (dc), Wis. Stats., Grants to PK-16 councils, funded at \$385,000 GPR each year.

Create a new section under Chapter 115, Wis. Stats., to establish the new grant program.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 6015*)

Subject: Online Learning: Promoting Quality

Request Date: September 15, 2006

Agency Contact: Steve Sanders (266-3856)
Mike Bormett (266-2804)

Brief Description of Intent:

Learning Point Associates (LPA) has developed an Online Teaching Facilitation Course (OTFC) designed to provide K-12 teachers with the skills necessary to teach online. The online six-week course requires 10–15 hours per week. It was piloted in Wisconsin as well as Minnesota with good reviews.

To encourage proper training for online teachers, the department proposes to subsidize a portion of the cost if schools currently using the OTFC would open their OTFC classes to teachers from other schools. The licensing cost to these programs from LPA is \$100 per seat. Either the program or the teacher pays the cost for paying the facilitators. Thus, if 250 teachers would take this course in a year, it would cost the department \$25,000 to pick up the licensing costs from LPA.

Related Stat. Citations:

Create s. 20.255 (3) (ds), Wis. Stats., Online learning professional development (numeric 303), funded at \$25,000 GPR annually to reimburse teachers up to \$100 each to attend an OTFC class in Wisconsin. If funds are insufficient to meet demand, the department may prorate the aid amount.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 7008 and 7009*)

Subject: Grants for Master Educators

Request Date: September 15, 2006

Agency Contact: Judy Peppard (266-0986)
Lori Slauson (267-9127)

Brief Description of Intent:

The department requests \$208,000 GPR in FY08 and \$342,600 GPR in FY09 to increase the existing sum sufficient national teacher certification grant appropriation to allow teachers receiving master educator licenses through the state process to receive the same grants as those master educators receiving licenses through national certification. The department also requests that s. 115.42, Wis. Stats., be modified to:

- Clarify that the grant program applies to both persons certified by the National Board for Professional Teaching Standards and persons certified through the Wisconsin Master Educator assessment process under s. PI 34.19, Wis. Admin. Code.
- Beginning in FY08, provide an incentive to grant recipients to work in high poverty schools by providing \$5,000, rather than \$2,500, for continuing grants as long as the recipient is employed in a school in which at least 60 percent of the school's pupil population is eligible for free and reduced-price lunch under 42 USC 1758 (b).

To encourage individuals to become state certified master educators, the department has created a pilot program for FY06 and FY07 to pay up to \$2,000 to each applicant who successfully completes the process. Applicants that complete the Wisconsin assessment process and receive a Wisconsin Master Educator License will receive "initial" grants from the department using federal Title II-A, Elementary and Secondary Education Act funds. Because these funds are limited and are not available for long-term obligation, these individuals will not receive "continuing" grants of \$2,500. These individuals should be rewarded for participating in the pilot program and receive the \$2,500 (or \$5,000) grant for nine years just as future Wisconsin master educators will receive these funds.

Related Stat. Citations:

Under s. 20.255 (3) (c), Wis. Stats., increase the existing sum sufficient appropriation by \$208,000 GPR in FY08 and \$342,600 GPR in FY09 for the new grant program. In addition, change the title from "National teacher certification" to "National teacher certification and master educator licenses."

Add nonstatutory language to allow persons receiving initial Wisconsin master educator licenses in FY06 and FY07 to receive the nine grants of \$2,500 (or beginning in FY08, \$5,000, if the low-income criteria is met) as long as those persons met the continuing eligibility criteria under s. 115.42 (2) (a), Wis. Stats.

Modify s. 115.42, Wis. Stats., to reflect intent of the request.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 7010*)

Subject: Newsline for the Blind

Request Date: September 15, 2006

Agency Contact: Sally Drew (224-6161)
Mike Bormett (266-2804)

Brief Description of Intent:

The department requests \$38,500 SEG in FY08 and \$40,500 SEG in FY09 to support the Newsline for the Blind (Newsline) services provided by the Regional Library for the Blind and Physically Handicapped (Regional Library), which include registering new users, providing technical support, and placing Wisconsin announcements and local information on the Newsline channel.

As part of the request, the department is also proposing to make the Newsline SEG funding a direct appropriation to the department from the Universal Service Fund (USF), as opposed to the current transfer of SEG/USF funds from the Public Service Commission (PSC). The department proposes to use the existing Badgerlink SEG appropriation which currently receives direct funding from the USF.

Related Stat. Citations:

Under appropriation s. 20.255 (1) (ke), Wis. Stats., Funds transferred from other state agencies; program operations, reduce base funding by \$67,500 SEG each year to reflect transfer of Newsline budget authority to the Badgerlink SEG appropriation (see below).

Under appropriation s. 20.255 (3) (q), Wis. Stats., Periodical and reference information databases, increase base funding by \$106,000 SEG in FY08 and \$108,000 SEG in FY09 to reflect both the transfer of base Newsline funding of \$67,500 and the department's requested increase of \$38,500 in FY08 and \$40,500 in FY09. In addition, make Newsline services an approved use of funds under the appropriation.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 7011*)

Subject: Elimination of Qualified Economic Offer

Request Date: September 15, 2006

Agency Contact: Tony Evers (266-1771)
Lori Slauson (267-9127)

Brief Description of Intent:

The department proposes to repeal the Qualified Economic Offer (QEO) provisions related to teacher collective bargaining under s. 111.70, Wis. Stats.

Related Stat. Citations:

Amend s. 111.70, Wis. Stats, to repeal provisions related to the QEO effective upon passage of the budget bill.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 7502*)

Subject: Milwaukee Parental Choice Program Funding Change

Request Date: September 15, 2006

Agency Contact: Brian Pahnke (267-9124)
Mike Bormett (266-2804)

Brief Description of Intent:

The department requests the state share of funding the Milwaukee Parental Choice Program (MPCP) be increased from 55 percent to 75 percent of the annual cost of this program and that Milwaukee Public Schools' (MPS) share be reduced from 45 percent to 25 percent beginning in FY08.

This proposal would increase MPS' general equalization aid indirectly by resulting in a smaller reduction than what it receives under current law. It would not provide MPS with any more money to spend since the additional aid it received would be inside its revenue cap. It would reduce the MPS property tax levy (and state school tax levies) by the same amount of the MPS general equalization aid increase.

Related Stat. Citations:

Modify s. 121.08 (4) (b), Wis. Stats., to change the MPS aid reduction from 45 percent to 25 percent.

**DEPARTMENT OF PUBLIC INSTRUCTION
2007-09 BIENNIAL BUDGET
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2007-09 Budget Bill Introduction (*Agency Decision Item No. 7505*)

Subject: Low Revenue Ceiling Adjustment

Request Date: September 15, 2006

Agency Contact: Brian Pahnke (267-9124)
Mike Bormett (266-2804)

Brief Description of Intent:

The department proposes to increase the per pupil low revenue ceiling amount by \$300 annually, to \$8,700 in FY08 and to \$9,000 in FY09, to continue to provide the state's lowest spending districts with the opportunity to narrow the disparity with the highest spending districts.

Absent action in the 2007-09 biennium, the low revenue ceiling will remain at the FY07 figure (\$8,400). It would then assist fewer districts unless it is increased each and every year by a figure that exceeds the state allowable per pupil adjustment of approximately \$265-\$275 annually in FY08 and FY09.

Related Stat. Citations:

Amend s. 121.905 (1), Wis. Stats., to define "revenue ceiling" as \$8,700 in the 2007-08 school year and \$9,000 in any subsequent school year.